Daily Report
East Asia

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Japan

Tokyo, Washington Security Talks Slated 27 Sep

OW1909090795 Tokyo KYODO in English 0644 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — Japan and the United States will hold cabinet-level security talks on Sept. 27 in New York, the Foreign Ministry said Tuesday [19 September].

The so-called "two plus two" meeting will bring together U.S. Secretary of State Warren Christopher, Defense Secretary William Perry and Japanese Foreign Minister Yohei Kono and Defense Agency chief Seishiro Eto, the ministry said.

Earlier this month, Japanese and U.S. officials agreed that the agenda for the talks should include discussions on regional affairs, ways to successfully carry out U.S. President Bill Clinton's trip to Japan in November and a review of bilateral security problems.

Bilateral security problems include U.S. bases in Japan, Japan's host nation support, studies on the theater missile defense system, the proposed acquisition and cross-servicing agreement and promoting exchanges of defense technologies.

The Japanese and U.S. officials also agreed that the two sides should try to sign during the "two plus two" meeting a new treaty defining Japan's financial support for U.S. bases in Japan.

The previous "two plus two" security dialogue was held in March 1994 in Tokyo.

Minister Asks Trans-Pacific Air Liberalization

OW1909075995 Tokyo KYODO in English 0614 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — Transport Minister Takeo Hiranuma proposed Tuesday [19 September] that Japan and the United States mutually liberalize civil air transport services between the two countries.

Hiranuma put forward the proposal in connection with bilateral negotiations on air cargo services which start on September 26.

"I would like to propose liberalizing flights into respective countries, provided the U.S. would give Japan equal rights," he said.

Hiranuma said the existing civil aviation pact is unfair for Japan and Tokyo will not approve a further expansion of U.S. air service to Asia via Japan.

He said Washington should give Japanese airlines equal rights to fly beyond U.S. destinations.

Hiranuma called on stevedore service companies to simplify weight inspection and other loading and unloading procedures in response to requests from the U.S. and the European Union.

It is in principle a matter to be handled by private companies but the time has come for them to improve procedures, he said.

Hashimoto, Koizumi Debate Japan-U.S. Ties

OW1909063095

[FBIS Editorial Report] Tokyo FNN Television Network in Japanese at 2255 GMT on 16 September, in its regular Sunday magazine "News 2001" program, carries a 14-minute debate between Liberal Democratic Party [LDP] presidential candidates Ryutaro Hashimoto, minister of international trade and industry; and Junichiro Koizumi, former minister of posts and telecommunications.

The debate, moderated by FNN Newscaster Yuji Kuroiwa, is joined in the FNN studio by Susumu Nishibe; Haruo Shimada, Keio University professor; Ezura Bogel, Harvard University professor, via satellite hookup; and Kenichi Takemura, regular program guest and political commentator.

Kuroiwa begins the debate by asking Shimada to raise questions on economic issues for the two LDP presidential candidates to debate. Shimada asks Hashimoto and Koizumi to explain how they would try to change Japan's economic structure for the 21st century.

Hashimoro says: "Frankly speaking, I would do anything if I could make certain that no more manufacturers move their plants out of Japan and if I could make them feel confident they can continue to do business in Japan. If necessary, I would not hesitate to issue deficit-covering bonds during the first year." He adds: "We also have to invest in technological development as much as possible."

Koizumi says: "I will break up the collusion of bureaucrats, the private sector, and the political world." He goes on to explain the need to privatize the nation's postal and telecommunications operations, saying: "The private sector is capable of doing what the bureaucrats are doing now. Bureaucrats do not want to lose their vested power, and the private sector relies on bureaucrats because they do not have to compete with each other as long as bureaucrats provide protection." Asked if privatization of postal and telecommunications operations will have negative effects on the economic structure, Koizumi says: "On the contrary, it will stimulate corporations. They will start to invest in plant and equipment once they know that they can take over the job from bureaucrats."

Kuroiwa asks Hashimoto how he will convince bureaucrats as he promotes administrative reform. Citing the privatization of the National Railways and Nippon Telegraph and Telephone Public Corp., Hashimoto says: "Privatization of public corporations cannot be done without the understanding of officials who belong to the ministries concerned."

Bogel asks Hashimoto and Koizumi what they would do to maintain post-Cold War Japan-U.S. relations and stability in the international community.

Koizumi says: "Japan's prosperity was, is, and will be unthinkable without friendly ties with the United States. The same thing can be said about security matters. From these viewpoints, forming cooperative systems, including the Japan-U.S. security treaty, is the most important matter to politicians. We absolutely should not destroy friendly Japan-U.S. relations, even if there is friction between us. This is a matter of life or death." Asked if the current Japan-U.S. security treaty should be maintained, Koizumi says: "Not necessarily, because lately the United States has been asking Japan to bear more of the cost of maintaining the U.S. Forces in Japan [USFJ]. Japan has been paying as much as it can. If the United States cannot bear the USFJ's stationing costs, we will have to ask them to reduce military personnel and bases in Japan to a size it can afford to maintain." He continues to say that Japan will commit itself to its own defense if the USFJ, after scaling down, cannot provide adequate protection.

Hashimoto says: "Through the Japan-U.S. security treaty, we have to strengthen our ties with the United States further. At the same time, the Japan-U.S. security treaty is not only for Japan. We must have fundamental discussions on changes in U.S. strategy in the Asia-Pacific region, particularly after withdrawal from Clark and Subic Bay, and on the U.S. view of safety in this region."

On ties between Japan, the United States, and China, Hashimoto says: "I hope the United States will not create friction with China. We too will ask China to abide by rules. We will cooperate with the United States to create amicable relations among the three countries."

Kuroiwa asks Hashimoto what he thinks of Koizumi's remarks on downsizing the USFJ. Hashimoto says: "I do not agree with what Mr. Koizumi has said, because the Japan-U.S. security treaty is the very fundamental and important treaty between Japan and the United States. It is an important treaty for Japan. It is important to the entire Asia-Pacific region, too."

The debate ends at 2336 GMT.

Sakamoto Flying to U.S. To Hold APEC Talks

OW1809144895 Tokyo KYODO in English
1437 GMT 18 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 18 KYODO — A senior Japanese trade negotiator will visit Washington next week to meet with U.S. officials prior to a meeting of leaders from the Asia-Pacific Economic Cooperation (APEC) forum in Osaka in November, trade ministry sources said Monday [18 September].

Yoshihiro Sakamoto, vice minister for international affairs at the Ministry of International Trade and Industry, will hold a series of meetings beginning Monday with his counterparts, including U.S. Undersecretary of Commerce Jeffrey Garten, the sources said.

The meetings will cover a wide range of topics, including strengthening the recently launched World Trade Organization (WTO) and foreign access to the Japanese film market, they said.

On issues to be discussed at the APEC meeting, Sakamoto will try to seek a consensus with the United States on the issue of most-favored-nation (MFN) trading status for China and a scheme to open farm markets in the Asia-Pacific region, according to the sources.

U.S. Envoy Mondale Apologizes Over Rape

OW1909061395 Tokyo KYODO in English
0530 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — U.S. Ambassador to Japan Walter Mondale apologized to Okinawa Gov. Masahide Ota over the abduction and rape of a primary schoolgirl which three U.S. servicemen allegedly committed in Okinawa prefecture.

The U.S. embassy in Tokyo issued a statement after Mondale and Lt. Gen. Richard Myers met Ota and a delegation from Okinawa at the embassy at the governor's request.

"Mondale expressed — on behalf of the U.S. Government — sincere apologies for the suffering this crime has brought to the child, her family and the people of Okinawa prefecture," the statement said.

Mondale also reportedly said the U.S. military will promptly hand over the three suspects to Japanese authorities once a formal indictment is issued according to the terms of the Japan-U.S. Status of Forces Agreement [SOFA] and related accords.

Mondale emphasized that type of behavior shown in the crime is completely unacceptable and is not what the U.S. military or the American people stand for, the statement said.

A U.S. sailor and two marines stationed in Okinawa were detained by U.S. military police last week after Japanese police put the men on the wanted list for allegedly abducting and sexually assaulting a local schoolgirl.

The men are suspected of using a car to abduct the girl from a street in a residential area of northern Okinawa on Sept. 4. They allegedly raped the girl after tying her up with adhesive tape.

"I could feel clearly the U.S. side's intention to apologize because the ambassador treated us very politely," Ota told reporters after the meeting with Mondale.

But Ota also said he told Mondale that Okinawan people's feelings about the United States have worsened since the incident.

The case has fueled calls for the U.S. military presence in Okinawa to be reduced and for a revision of the agreement concerning the status of U.S. military personnel in Japan.

Ota said he has asked Mondale to reply to proposals that Okinawa will submit on which parts of the Status of Forces Agreement should be revised.

Under the agreement, U.S. military personnel may only be turned over to Japanese police after being indicted by Japanese public prosecutors.

In the city of Naha in Okinawa, the prefectural assembly unanimously adopted a motion calling for the Status of Forces Agreement to be revised.

In addition, at an extraordinary meeting, the assembly adopted a resolution to protest at the case of alleged abduction and rape.

Okinawa Assembly Chairman Chiken Kakazu and other assembly members will visit Tokyo on Wednesday to submit their recommendations to the prime minister's office, the foreign ministry and the defense agency, assembly members said.

In Okinawa, many cities and towns, including Naha, have adopted similar motions and resolutions.

But at a meeting at the Prime Minister's Official Residence Tuesday [19 September], cabinet ministers agreed not to propose revising the Status of Forces Agreement.

Later Tuesday, Ota met Chief Cabinet Secretary Koken Nosaka and asked the state to review the Japan-U.S. agreement.

Nosaka, however, reiterated that the government does not intend to review the accord, citing Foreign Minister Yohei Kono's having said that investigation can be implemented under the current agreement and that Defense Agency chief Seishiro Eto has endorsed Kono's stand.

Ota told Nosaka that about 4,500 criminal cases and accidents involving U.S. service personnel have taken place since Okinawa was returned to Japan in 1972 from the U.S. occupation that began in 1945.

The governor urged the state to ask the U.S. military to prevent such incidents from happening again.

Kubo on Changes in Military Ties With U.S.

OW1909102795 Tokyo KYODO in English 0842 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — Wataru kubo, secretary general of the Social Democratic Party (SDP), on Tuesday [19 September] urged changes in the military relationship between Japan and the United States, beginning with a review of the Status of Forces Agreement.

"As we strengthen cooperation between the two countries in economics and politics, we must see some changes in the military aspects as well to go along with the global trend of disarmament," Kubo told reporters at the Foreign Correspondents Club of Japan.

Kubo, the No. 2 man in Prime Minister Tomiichi Murayama's SDP, then suggested the changes should begin with a review of the Japan-U.S. Status of Forces Agreement, which limits Japan's jurisdiction over U.S. armed forces personnel suspected of committing crimes in Japan.

Kubo's remarks came as public outcry for a review of the agreement continues unabated following the alleged abduction and rape of an elementary school girl in Okinawa by three U.S. servicemen early this month.

The three suspects are being held by U.S. military authorities in Okinawa and under the agreement cannot be handed over to Japanese police until they have been indicted.

Kubo called the incident "unfortunate," adding, "there have been a number of incidents in the past, and I deeply regret that Japan does not have some legal jurisdiction because of the agreement."

Asked how the incident may influence the policies of a new political party being planned by the SDP, Kubo stressed that "the Japan-U.S. relationship is extremely important, not only as a bilateral relationship, but also in the interests of the Asia-Pacific region and the rest of the globe."

Editorial Demands Review of SOFA

OW1909044095 Naha OKINAWA TIMES In Japanese 18 Sep 95 Morning Edition p 5

[Editorial: "We Do Not Need the Subordinative SOFA"]

[FBIS Translated Text] **Unequal Bilateral Status Agreement**

The Okinawa Prefecture administrative authorities have at last begun to move, 23 years after the U.S. Government transferred its authority over Okinawa to the Japanese Government. Okinawans are demanding abrogation of the Japan-U.S. Security Treaty and a sweeping review of the Status of Forces Agreement (SOFA). Under Article 6 of the Japan-U.S. Security Treaty, the authorities have up to now limited themselves to lodging protests to U.S. Forces Okinawa when crimes were committed by U.S. military servicemen.

Recently Choko Takayama, the Okinawa Prefecture policy coordinator, asked the Foreign Ministry, the Defense Facilities Administration Agency, and other concerned government agencies to review the SOFA, after three American soldiers abducted and raped a young girl on Okinawa.

The Tokyo Bar Association, the Association of Junior Attorneys, the Kyushu Security Research Council, legal experts, and people concerned with U.S. military bases sharply pointed out the inequality of the SOFA 23 years ago. But their assertions were overridden by the "reversion" trend and then forgotten.

The unequal bilateral military base pact is riddled with problems, arousing complaints and discontent not only in Japan but also in South Korea. The SOFA is an international agreement that has caused social and political issues. The biggest issue is that the agreement, which guarantees "use of all Japanese land by U.S. Forces in Japan [USFJ] for military bases," grants U.S. military servicemen extraterritorial rights when they commit crimes in Japan and gives U.S. personnel preferential treatment in civil cases.

Article 2 of the SOFA guarantees the use of all Japanese land by the USFJ. Under the article, the USFJ are allowed to set up military facilities in Japan wherever they want. This subordinative, preferential treatment under the article would have been incomprehensible in Britain, Germany, the Philippines, or NATO and SEATO (Southeast Asia Treaty Organization, dismantled in June 1977) countries. The SOFA differs substantially from agreements the United States has concluded with those nations.

The U.S.-Britain Military Base (Status) Agreement and the U.S.- Philippines Military Base (Status) Agreement, which was abrogated at the strong request of the Filipinos, specifically designated land areas and facilities for use by U.S. forces as military installations. Under those agreements, the two countries concluded individual military base agreements whenever they provided land and facilities and stipulated whether U.S. forces had unlimited use of land and facilities.

The same applies in handling crimes committed by U.S. military servicemen. In the case of Japan, for example, it is clear that Japan has the first jurisdiction. In the rape case involving three U.S. military servicemen, however, U.S. Forces Okinawa can refuse to hand over suspects to Japanese authorities as long as they are "in custody of the U.S. forces."

Article 17, Provision C of the SOFA stipulates: "The United States shall continue to keep in custody suspects who are elements of the United States military or civilian workers on military bases of the United States in Japan and are subject to Japan's exercise of jurisdiction until Japan indicts them." U.S. forces on Okinawa are using the provision to justify refusing to hand over the three suspects to Japanese authorities.

In view of the importance of keeping suspects in custody to investigate crimes and collect evidence, we believe Japanese authorities must keep American suspects in custody and exercise their jurisdiction while criminal investigations are underway, as a matter of principle.

Jurisdiction Favorable To USFJ

The current SOFA conspicuously favors the USFJ and is incredibly unfair to Japan. Specifically, Japanese investigators must unconditionally hand over suspects to U.S. authorities when they arrest U.S. military personnel for crimes over which U.S. military authorities have first jurisdiction.

When Japanese investigative authorities arrest U.S. military members for crimes over which Japan has jurisdiction, they have to turn over the suspects to U.S. military custody, except when the investigators have a just reason to keep the suspects in custody.

Japanese authorities have to turn over suspects to the U.S. military authorities even when it is doubtful the suspects committed the crimes in the course of duty.

In other words, key American suspects have been kept in custody unreasonably and unfairly during investigation of their crimes. Japanese investigators face a variety of obstacles to keeping American suspects in custody. As a result, Japanese investigators have difficulty investigating crimes committed by American servicemen and prosecuting them properly. U.S.-Germany SOFA Expressly Stipulates Turning Over American Suspects to

German Authorities

Article 22 of the U.S.-German SOFA stipulates that even if U.S. forces arrest American suspects and keep them in custody, they must turn them over to German authorities if the "German authorities ask for their transfer." The same article also stipulates that "U.S. forces shall provide all assistance to German authorities to help them question and prosecute American arrestees and also take proper measures to prevent evidence from being destroyed." In this way, the U.S.-German SOFA expressly requires U.S. forces to cooperate with German authorities. No such article is found in the Japan-U.S. SOFA.

The rape incident should not have occurred on Okinawa. To prevent a recurrence, the governments of Japan and the United States should seek a sweeping review of the U.S.-Security Treaty and related agreements and address their defects from the standpoint of restoring equality between the two countries and further establishing Japan's sovereignty. The two countries must seek to resolve this issue to build an equal partnership.

Tokyo Pledges To Support Nuclear Resolution

OW1809145395 Tokyo KYODO in English 1435 GMT 18 Sep 95

[FBIS Transcribed Text] Vienna, Sept. 18 KYODO — Japan pledged Monday [18 September] it will join 11 other countries which earlier submitted a resolution against nuclear testing to the International Atomic Energy Agency (IAEA) general conference.

The 11 nations, including Australia and the Philippines, proposed the draft resolution to the conference, which kicked off for a five-day session in Vienna earlier in the day.

The resolution, which does not single out China or France, expresses regret over nuclear testing and urges countries with plans to conduct tests to refrain from doing so. A comprehensive test ban treaty is expected to be concluded as early as next year.

With concerns about the tests' effects on the health of those living in the areas and the environment, the document also urges the countries to submit reports to the IAEA on the impact on areas where tests are conducted.

Sources from the international nuclear watchdog said the expression of regret over the nuclear tests may be too strong and suggested that the wording of the draft may be challenged.

IAEA sources said the countries sponsoring the draft resolution are hoping the resolution can be adopted without a vote.

IAEA Director General Hans Blix indicated that the agency is considering a request from France to survey the impact of its tests on the environment near the Mururoa Atoll in the South Pacific where the first of a series of French nuclear tests was conducted earlier this month.

Japanese Science and Technology Agency chief Yasuoki Urano delivered a speech at the conference Monday, saying Japan, which was atom-bombed in Hiroshima and Nagasaki in 1945, hopes for a halt in nuclear testing.

Urano expressed regret that nuclear tests are still being conducted despite an agreement between nations in may that nuclear powers restrain from testing as much as possible. He did not directly name China or France.

Study Documents EU Business Concerns in Japan

MS1909091695 London FINANCIAL TIMES in English 19 Sep 95 p 5

[Report by Michiyo Nakamoto: "EU's Businesses Under Pressure in Japan, Says Study"]

[FBIS Transcribed Text] Tokyo — The EU's main business organisation in Japan yesterday warned the Japanese government that persistent problems such as over-regulation, high entry costs and a wide range of non-tariff barriers, could prompt companies to bypass Japan as an investment location.

In a paper documenting the concerns of European companies in Japan, the European Business Community [EBC], which represents more than 1,000 EU companies, said that despite recent steps by the Japanese government to open the market, "much action is still needed in order to create an environment that is truly conducive to foreign investment".

Non-tariff barriers remain a major problem, while "over- regulation is creating unnecessary barriers which impede foreign penetration," said Mr Alain Coine, EBC chairman.

The publication of the white paper follows an EU request that a panel of the World Trade Organisation arbitrate on Japan's reluctance to harmonise its liquor tax regime.

A major barrier cited by the EBC is price setting among cartels in some industries. "Japanese companies in the chemical industry have formed cartels which are seriously threatening free competition in the market," says the white paper.

Against this background the Japan Fair Trade Commission [JFTC], the organisation responsible for enforcing anti-monopoly rules, has been singled out for criticism. "When we identify a case we systematically push the matter with the JFTC but it is difficult to get a clear response," Mr Coine said.

In addition, the EBC says Japan's failure to harmonise its standards with recognised international standards and testing procedures remains one of the most difficult obstacles. Japan requires all clinical data for a new pharmaceutical product to be generated in Japan.

Furthermore, bilateral agreements between Japan and the US in particular have disadvantaged European companies, the paper says. In the vehicle components sector, European companies have been losing market share to US competitors during the last two years, since Japan came under US pressure to increase purchases of cars and car parts.

The European market share in the Japanese car components sector has fallen from 40 per cent to 22 per cent while the US share has grown from 25 per cent to 40 per cent, according to the EBC components committee.

Together with the high costs of operating in Japan, including "exorbitant" taxes and a lack of investment incentives, these trade barriers discourage new entrants from investing in Japan "in favour of the emerging Asian economic centres," the white paper states.

European investment in Japan between 1950 and 1994 was one-ninth of Japanese investment in Europe. "This huge imbalance is largely a result of Japan's regulatory, structural and cultural impediments to foreign direct investment" it notes.

APEC Panel Urges Borderless Trade

OW1909094495 Tokyo KYODO in English
0812 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — The business advisory panel for the Asia-Pacific Economic Cooperation (APEC) forum wants to see a Pacific Rim region where companies and businesspeople can operate freely beyond borders, a panel co-chairman said Tuesday [19 September].

"The APEC region...is dynamically developing. We private businesses are contributing to this dynamism," said Minoru Murofushi, a co-chairman of the Pacific Business Forum (PBF) for APEC and president of Osaka-based trading firm Itochu Corp., in an interview with KYODO NEWS SERVICE.

The PBF will submit a report of their recommendations Friday to Prime Minister Tomiichi Murayama, who will chair the third informal summit meeting of the 18-member APEC in November in Osaka. The group compiled the recommendations earlier this month in Newport Beach, California.

The Osaka meeting is expected to map out concrete programs to achieve a goal of free trade and investment in the region by 2010 for industrialized economies and 2020 for developing members.

Murofushi said businesspeople hope APEC members implement liberalization of trade and investment in a "drastic" way and get rid of hindrances to their business activities.

Some of the 18 APEC members are cautious about a comprehensive application of APEC trade-freeing goals to all sectors. Japan, China and South Korea, for example, are opposing the idea in the field of agriculture. Textile is a sensitive area for the United States.

Murofushi, however, said all the PBF members, including those from China, Japan, South Korea and Southeast Asia, are eager for comprehensive liberalization.

Murofushi said the business panel members have urged Japan to take leadership to bring about a successful APEC meeting in November.

Such leadership should be shown by easing domestic regulations, which can impede trade and investment from abroad, and spurring domestic demands to increase imports, he said.

In the report, the PBF is asking APEC leaders to strengthen APEC's nonbinding investment principles and ensure that each member economy incorporates them into its domestic laws by 2000 for industrialized economies and 2005 for developing economies.

By enforcing the investment principles, there would be no discrimination between domestic and overseas investors, Murofushi said.

Murofushi said the business group willl also call for shortening of the time frames for implementing the Uruguay Round agreements of the General Agreement on Tariffs and Trade and expansion of the liberalization process to embrace areas not adequately covered by the agreements.

He also said the group will urge APEC members to allow businesspeople to move freely across borders by introducing visa-free business travel throughout the region by 1999 and the simplification of procedures for obtaining business residency visas by the same year.

Murofushi said the group will also call on APEC members to simplify and harmonize customs clearance procedures by 2000, to harmonize government policies in respect to product standards and to conclude mutual recognition agreements by 1998.

The PBF seeks flexibility in the liberalization processes, he said, noting some members should begin them without waiting for others who are not ready.

The organization will recommend the establishment of an APEC business council to succeed the PBF and provide business input into APEC's deliberations and to ensure that the business sector is fully integrated into the overall APEC work program, he said.

APEC groups Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua New Guinea, the Philippines, Singapore, South Korea, Taiwan, Thailand and the United States.

Kono Interviewed on Rice Aid to Pyongyang

OW1909140695 Tokyo ASAHI SHIMBUN NEWS CONFERENCE REPORT in Japanese 0605 GMT 19 Sep 95

[Statement by Foreign Minister Yohei Kono at a news conference held at the Foreign Ministry on the afternoon of 19 September]

[FBIS Translated Text] 1. Heavy rains this summer caused massive floods in many parts of North Korea. A series of surveys conducted by the UN humanitarian department and other UN agencies show that the floods badly damaged property and killed many people. The government would like to express its deep sorrow over the dead and its condolences to flood victims.

2. In response to the situation in North Korea, the UN humanitarian department and other UN agencies have, based on their own surveys, asked the international community for assistance in providing emergency aid to the DPRK. Upon receiving requests from the UN agencies, the government has decided that, as a member of the international community, Japan will contribute a total of $500,000 to the UN agencies to help efforts by them to provide emergency aid to North Korea.

3. At the request of North Korea, which is suffering an acute shortage of food, the government had, before the floods, decided for humanitarian reasons to provide a total of 300,000 tons of rice to North Korea before the floods. In addition, the government has affirmed a willingness to hold talks with North Korea to discuss the additional export of rice to North Korea on the basis of deferred payments, depending on the availability of the stock of rice that Japan had earlier urgently imported. After this, though, a magazine quoted a North Korean official as saying the DPRK does not have a shortage of rice. It also reported the North Korea official had made remarks at odds with Japan's assertion that the rice aid was being provided for purely humanitarian reasons. The magazine report has stalled the talks the government had planned to hold with North Korea.

4. Faced with this, the government and ruling parties, while keeping close contacts, have closely watched how North Korea will respond to inquires from the ruling parties about real intent of the remarks by the North Korean official. Recently, though, the government has confirmed that North Korea understands Japan is providing rice aid from a humanitarian point of view. In the meantime, North Korea has admitted to UN fact-finding teams that it was already short of 2 million tons of grain before the floods occurred, and the government is taking notice of this situation.

Bearing in mind North Korea's response to inquiries from the ruling parties, and the fact that North Korea is suffering from a serious shortage of food following the floods, the government has decided to go along with North Korea's call to hold talks to discuss Japan's additional export of rice to North Korea on the basis of deferred payment.

JSC Head on DPRK Nodong Missile Deployment

OW1509101695 Tokyo NIHON KEIZAI SHIMBUN in Japanese 15 Sep 95 Morning Edition p 8

[FBIS Translated Text] The YONHAP NEWS AGENCY in South Korea reported on 12 September that the DPRK (North Korea) had deployed "Nodong-1" ballistic missiles. Commenting on the report at a 14 September news conference, Tetsuya Nishimoto, chairman of the Joint Staff Council [JSC] of the Self-Defense Forces, said, "Perhaps, the possibility of North Korea deploying those missiles is low." According to the Defense Agency, if the Nodong-1 ballistic missiles, each with a range of about 1,000 km, are actually deployed, they would put almost all of the Japanese Archipelago under their ranges. Chairman Nishimoto added, "The development of high-tech weapons takes a long time."

DA's Eto To Boost Officials Exchange With Seoul

OW1909094595 Tokyo KYODO in English 0716 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — Defense Agency [DA] chief Seishiro Eto and South Korean Ambassador to Tokyo Kim Tae-chi agreed Tuesday [19 September] on the need to promote exchanges between defense officials of the two countries, agency officials said.

Eto and Kim reached the agreement in a meeting at the Defense Agency, they said.

Eto is scheduled to hold talks with his South Korean counterpart Yi Yang-ho in Seoul on Saturday.

Kim said in the meeting that North Korea exaggerated in reporting on the damage caused by recent floods in the country.

However, he also said he appreciates that Pyongyang called for international help for the flood damage of its own initiative, saying it can be "an opportunity for the country to have normal relationships in international society," the officials quoted.

Tokyo To Extend Aid to Developing Nations

PRC: Y109.2 Million for Flood Aid

OW1909033495 Tokyo KYODO in English
0156 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — Japan will extend emergency aid worth 109.2 million yen [Y] to China to help alleviate the damage inflicted by floods this summer, the foreign ministry said Tuesday [19 September].

The aid consists of about 58.8 million yen and about 50.4 million yen worth of goods such as tents and generators, the ministry said.

Heavy rain in southern and northeastern China, and regions along the Chang Jiang river from June through August caused floods which killed about 1,550 people and injured around 50,000, it said.

PRC: 242 Million Yen for Medical Aid

OW1909125495 Tokyo KYODO in English
1008 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — Japan will offer China grant-in-aid of 242 million yen to help its project to eradicate polio in the country, the Foreign Ministry said Tuesday [19 September].

Japan announced late last month that it will freeze most of its grants-in-aid to China in response to China's nuclear tests but it will continue to offer grants for humanitarian purposes, such as emergency relief and medical aid.

The latest aid will help the Chinese Government purchase 2,400 doses of vaccine for use in five provinces, the ministry said.

According to the ministry, some 208 million doses of vaccine are necessary in China to fight polio but 9,300 doses have to be purchased from abroad.

Japanese and Chinese officials exchanged documents on the Japanese aid earlier in the day in Beijing, the ministry said.

Jordan: 1.12 Billion Yen

OW1709083895 Tokyo KYODO in English
0815 GMT 17 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 17 KYODO — Japan will extend Jordan grants-in-aid totaling 1.12 billion yen, the Foreign Ministry said Sunday [17 September].

Japanese and Jordanian officials exchanged documents on the Japanese aid in Amman, a day before Japanese Prime Minister Tomiichi Murayama arrives in the country, the ministry said.

Murayama is currently on a weeklong Middle Eastern trip.

The aid consists of 547 million yen to finance a project aimed at combatting oil spill in the north of the Gulf of Aqaba, and 550 million yen to help the country purchase agricultural machinery to boost food production.

It also includes a cultural grant-in-aid of 24 million yen to help its radio and television corporation purchase educational television programs, the ministry said.

South Africa: 5 Billion Yen

OW1909131095 Tokyo KYODO in English
0954 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — The Export-Import Bank of Japan will provide a 5 billion yen loan to industrial Development Corp. of South Africa, the bank said Tuesday [19 September].

Of the total, 2 billion yen will be provided by the Bank of Tokyo, Sumitomo Bank and the Bank of America's Tokyo unit, it said.

The portion of the funds put up by the commercial banks will be guaranteed under Japan's trade insurance system, for the first time in the case of South Africa.

The funds are to be used for South Africa's procurement of Japanese equipment, the Ex-Im Bank said.

The loan is part of an agreement on Japanese financial aid to South Africa announced in July 1994.

Two untied loans have already been provided under the agreement, the bank said.

EPA Chief Assesses Deregulation Package

OW1909055895 Tokyo KYODO in English
0510 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — The nation's top economic planner expressed regret Tuesday [19 September] that early implementation of a three-year deregulation program and all of the program's deregulatory steps are not included in the economic package to be unveiled Wednesday.

"I want the government to implement all the deregulatory measures stipulated in the three-year program within the time frame of the package of economic measures, if possible," Economic Planning Agency [EPA] Director General Isamu Miyazaki said.

Miyazaki said he urged other government economic policy-makers to speed up the planned pace of the deregulatory program, but got nowhere because of opposition from the bureaucracy.

On March 31, the cabinet of Prime Minister Tomiichi Murayama adopted a five-year deregulation program and later decided to bring forward the pace of its implementation to three years to bolster domestic demand and promote imports in the face of a soaring yen.

Miyazaki told reporters, "I was told by other bureaucrats in charge of this matter that they are troubled by my request to speed up the implementation of the deregulation program."

"I replied I can understand their assertions, as we cannot carry out this and that measure all at once," he said.

Miyazaki is a strong advocate of deregulation to revive Japan's anemic economy and establish harmonious trade and economic relations with other nations.

On Wednesday, the government is scheduled to unveil a more than 10 trillion yen pump-priming package aimed at preventing the economy from falling into a recessionary spiral.

Miyazaki said he believes the upcoming fiscal package contains a "sufficient level" of real public works spending to stimulate the flagging economy.

"All of the economic measures in the package will lead to (creating demand for) goods and services," he said.

Finance Minister Masayoshi Takemura said Tuesday that the package will contain real public works outlays of more than 5 trillion yen.

Concerning the 0.8 percent quarter-to-quarter growth in real Gross Domestic Product (GDP) for the April-June quarter released Monday, Miyazaki said the figure implies the economy will not worsen.

He acknowledged, however, that the real 0.1 percent GDP fall in the January-June period from the preceding six-month period "attests to the fact that a full-fledged economic recovery has not yet begun."

Miyazaki pointed to a forecast that an upcoming GDP figure for the July-September quarter may not be as good as the April-June figure, as the negative impact of the strong yen may emerge in the third-quarter figure.

Keidanren Urges Sweeping Economic Deregulation

OW1909131295 Tokyo KYODO in English
0956 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — Japan's most powerful economic organization urged the government Tuesday [19 September] to carry out sweeping deregulation, including the abolition of the licensing system for cigarette and liquor sales.

The Federation of Economic Organizations (Keidanren) also called for the phasing out of the controversial law governing large-scale retail stores.

The federation said such a comprehensive deregulation process is necessary to transform the nation's manufacturer-oriented distribution system into one benefiting consumers.

The federation said a sweeping reform of the distribution system now is taking place, such as the so-called price busting movement.

As a result, it said consumers are feeling the benefits of the reform, such as a narrowing price gap between domestic products and imported goods, increasing imports of manufactured goods and extended business hours of supermarkets.

The federation said structural reform leading to an open market will meet the changing needs of consumers.

The federation also called for the implementation of transparent business practices.

BOJ Report Describes Economy as Stalled

OW1909103595 Tokyo KYODO in English
0944 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — Japan's economy remains stalled, the Bank of Japan [BOJ] repeated in a monthly outlook report issued Tuesday [19 September].

Corporate capital spending is picking up moderately and investment on public works projects is on a recovery note but net exports are falling and housing investment is staying at low levels, the BOJ said.

It also said the tempo of personal spending growth is slack while industrial output is weak, with an excessive buildup of inventories, especially of construction materials.

Personal spending is rising in such sectors as household electric appliances and the number of travelers is growing, especially overseas travelers, said the central bank.

But the growth pace in department store and supermarket chain sales is very moderate, it said.

The BOJ also cited a year-on-year monthly decline in new auto registrations for August.

Housing starts remained at low levels in June and July, it said.

The export uptrend has recently slowed significantly, affected by the slowing U.S. economy, while imports are growing markedly, the BOJ said.

Hashimoto on GDP Figures, Other Issues

OW1909050495 Tokyo KYODO in English 0352 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — International Trade and Industry Minister Ryutaro Hashimoto issued warning Tuesday [19 September] against optimism that may arise from the latest figure for Japan's Gross Domestic Product (GDP).

"The growth of 0.8 percent for the April-June period was a reactionary upturn from the previous quarter, which suffered a drop partly from the major earthquake in January," Hashimoto told a news conference.

"I don't have any feeling that the economy is on a steady recovery track," Hashimoto said, noting personal spending and corporate investment have yet to reach levels of a full-fledged recovery.

Japan's real GDP for the April-June quarter grew 0.8 percent, posting the first gain in three quarters.

On the currency market, Hashimoto expressed hope the recent drop in the yen's value against the dollar will further advance.

"I am watching currency developments carefully — and with anticipation (the current trend will continue)," said Hashimoto.

"Although the yen's recent depreciation is encouraging for small companies which have long been struggling under the strong yen, they are not at all in a situation to warrant optimism," Hashimoto said.

Citing his ministry's August survey of small companies, Hashimoto acknowledged their plight had been slightly alleviated compared with the March poll due to the latest development in the currency market.

But he added the confidence of small businesses needs to be strengthened by further depreciation of the yen.

On the government's new economic package due out Wednesday, Hashimoto said it should "be able to signal to markets that the measures will be really effective in shoring up the economy."

"What is important is not the quantitative aspects of the package, such as the amount of spending, but whether each step really works and how it is seen by the markets," he said.

Hashimoto said the Japanese Government has no intention to negotiate with the United States over alleged unfair practices by the Japanese company Fuji Photo Film Co.

Hashimoto was commenting on reports that U.S. Trade Representative Mickey Kantor is seeking to bring the case to government-level talks.

"Basically, the matter is not anything to be discussed between governments. If Washington finds problems in the Japanese market, it has an option of filing a complaint with Japan's fair trade commission," Hashimoto said.

On whether or not government officials are allowed to engage in stock investment, Hashimoto said his ministry will not set any rigid standards for the moment.

"I don't believe any trade ministry officials have any investments that would cause any public distrust or misunderstanding," Hashimoto said.

"Making rigid rules or codes of practices is not appropriate for this matter," he said.

The finance ministry plans to create specific guidelines on its officials' stock investment, following the recent revelation that a former senior ministry official received a huge amount of money in donations from several people to put toward securities investment while in office.

Tokyo To Cut Small Businesses' Interest Rate

OW1809143195 Tokyo NIHON KEIZAI SHIMBUN in Japanese 13 Sep 95 Morning Edition p 7

[FBIS Translated Text] The Ministry of International Trade and Industry [MITI] and the Ministry of Finance have decided on a plan to reduce, within the current fiscal year, interest rates for loans issued to small and medium enterprises by government-affiliated financial institutions during the past high-interest-rate years.

Those small businesses eligible for this plan include deficit-ridden companies as well as those suffering decrease in sales because of such factors as the yen's appreciation. Loans issued by the government-affiliated financial institutions are based on long-term fixed interest rates, and in the 1990's the interest rate was set rather high at about eight percent per annum. The ministries plan to reduce it to five percent per annum. The government-affiliated financial institutions will take this measure, for the first time, to reduce the interest rate while repayment is still in progress. This will be one of the major measures to be included in the government economic stimulus package to be worked out on 20 September.

The two ministries are studying the plan to reduce the interest rate for loans issued by such government-affiliated financial institutions as the Smaller Business Finance Corporation [SBFC], the People's Finance Corporation, and the Shoko Chukin Bank [Shoko-Kumiai Chuo Kinko].

To be eligible for this interest rate reduction, concerned companies will be required to submit their restructuring plans to loan-issuing financial institutions. Final coordination will be made on requirements for those companies requesting interest rate reduction based on other factors, such as drop in sales. As for financial resources for funding this interest-rate reduction plan, a total of over Y80 [yen] billion will be included as interest subsidies for finance corporations in the draft of the second supplementary budget bill.

The standard interest rate for loans issued by finance corporations has changed from seven-to-eight percent in 1990 and 1991, to five-to-six percent in 1992 and the summer of 1993. At present, the interest rate is set at the record-low of 3.25 percent per annum. It is estimated that for the SBFC alone, the balance of loans issued at over five-percent interest rate reaches over Y4 trillion, accounting for about half of the total amount of the loan balance.

According to MITI and other agencies, the number of medium and small companies that have asked for making advance repayment of their loans obtained at high interest rates has increased since last spring when the long-term interest rate started dropping. Advance repayment is not accepted by finance corporations. However, the striking fact is that in many cases, managers of small and medium companies who visited finance corporations would force their advance repayment by leaving cash on the counter.

Finance corporations do not comply with requests for advance repayment or refinancing because it would be in contradiction with the original role of finance corporations in providing loans based on long-term and fixed interest rates. However, it has been decided that "to carry on this practice will be unfavorable for smaller businesses that have continued to repay interest and capital in accordance with contracts," (as stated by a source at MITI's Small and Medium Enterprise Agency). Therefore, a decision has been made on reducing the interest rate for small and medium enterprises as long as they meet certain conditions.

Panel Head on Idea of Freezing Landholding Tax

OW1909102595 Tokyo KYODO in English
0951 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — The head of the Tax Commission on Tuesday [19 September] showed a negative stance toward corporate calls for freezing the landholding tax as a way to activate land sales.

Kan Kato, chairman of the advisory body to the prime minister, said at a news conference it is doubtful whether a freeze or abolition of the landholding tax can really prop up the economy by promoting land transactions.

It is important for the people that land prices fall sufficiently so that they can easily buy property, Kato said.

The landholding tax was newly introduced under the fiscal 1991 tax reform, effective from Jan. 1 of 1992, as a means of lowering land prices, which had skyrocketed during the speculative "bubble" economy in the late 1980s.

Industrial circles and some politicians have urged an easing or repeal of the tax as the real estate market remains lackluster.

Kato called for measures in favor of the demand side, saying he cannot support a higher utility value of land for the benefit of the supply side or companies.

A condition for a review of the landholding tax should be the breaking down of the nation's "land first" custom, Kato said.

In order to closely examine the likely effects of possible changes in the land tax system, the Tax Commission will take time in discussing the issue and make recommendations in its interim report on medium-term tax system reform to be worked out by the fall of next year, Kato said.

Playing down calls among the ruling coalition parties to include the review of the landholding tax in tax reform for fiscal 1996, which starts next April, Kato said, "we should not make wrong judgments in a hurry, only for the present."

Nikkeiren, Union Propose Yen-Lowering Measures

OW1809121295 Tokyo KYODO in English 1112 GMT 18 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 18 KYODO — Leaders of an employers' group and a major labor union Monday [18 September] proposed to the government 10 measures to bring the yen lower against the U.S. dollar, officials of the employers' group said.

The organizations are the Japan Federation of Employers Associations (Nikkeiren) and the Japan Council of Metal Workers Unions (IMF-JC).

The 10 suggestions were handed by Nikkeiren head Jiro Nemoto and IMF-JC leader Teruhito Tokumoto to Koken Nosaka, chief cabinet secretary.

The officials said the suggestions call on the government to increase public projects spending, coordinate steps with other developed countries to stabilize the yen at "an adequate level" and carry out effective monetary policies.

Resolving the bad-loan problem in Japan's financial industry was also named as an issue needing to be resolved as soon as possible by both the public and the private sectors, the officials said.

They quoted Nosaka as saying that the yen's recent value at the 104 yen level against the dollar is within the range of "orderly reversal."

Nosaka stressed the government's determination to put the national economy back on a stable growth track, saying that it is preparing a "drastic" second supplementary budget that is expected to be announced in October.

Telecom Reform Urged for Economic Revitalization

OW1909014795 Tokyo NIHON KEIZAI SHIMBUN in Japanese 13 Sep 95 Morning Edition p 2

[Editorial: "Imperative Points for Discussing Breakup of NTT"]

[FBIS Translated Text] The Telecommunications Council recently reopened a special forum to discuss for the first time in five years Nippon Telegraph and Telephone Corporation (NTT)'s management and a proposed breakup of the telecommunications giant. Since this spring, the council has emphasized analyzing foreign telecom affairs; but from now on, the council will work to clarify points of argument through hearings on related domestic businesses. It expects to issue a report next February.

The current discussion of NTT operations has drawn public attention because the report is expected to have great influence on projects to improve telecom foundations for the 21st century. Without good foundations, it will be difficult to realize an intellectual shift in the economic society and enhance people's lives.

NTT is the world's largest telecom operator, dominating the domestic telecom market — worth more than eight trillion yen — and holding 94 percent of telephone lines and 83 percent of leased common carrier lines. In discussing the future of such a huge market, the following points must be considered: First, the results of the 1985 NTT privatization should be examined from the viewpoint of users. The company should offer lower telephone charges and more services than it did before privatization.

There is no doubt that market competition since NTT privatization has brought telephone charges down. For example, a 3-minute daytime call between Tokyo and Osaka now costs 55 percent less. The same call on leased common carrier lines costs 85 percent less, reflecting fierce competition between NTT and new common carriers.

However, we should not forget that charges have gone up for directory service and for basic and short-distance calls — areas in which competition has not been introduced. Also, trouble arose when NTT was urged to allow new common carriers to link their lines to its circuits. The privatization of NTT is only half complete, and the significance of "telecom liberalization" should be reexamined.

Second, the NTT issue should be discussed in view of the need to revitalize the nation. Multimedia and information projects will make it possible to improve the economy's intellectual activity and increase productivity.

However, Japan lags behind other countries in information projects. The government should enhance telecom foundations to energize the nation. If carried out well, information projects will revitalize such fields as research and development, education, medicare and welfare, and administration.

Third, the world trend of forming multimedia networks should be considered. Powerful U.S. and British telecom companies have begun reorganizing the world market with the aim of consolidating telecom operators. Under such circumstances, what should the structure of NTT be?

Undeniably, the keys to competitiveness in the present era of severe competition are organizational and fund-raising abilities and the number of subscribers. People who want to maintain the status quo claim that splitting up NTT will weaken its overall power, as NTT itself has strongly asserted.

Others argue that the key to competitiveness is not the size of a company but the increased power gained through competition and the ability to promote efficiency and make quick decisions. In fact, AT&T [American Telephone and Telegraph] of the United States enhanced its international competitiveness after it was split up.

There are many points to be argued. Grasping the essence of the matter, the Telecommunications Council should actively promote public discussion. The telecom world is continually changing. We hope the council will fully discuss the NTT issue from various angles, keeping the future of the telecom market in mind. The council's report is of great significance because it will determine the future of Japan's economy.

Interim Report on Liquidation of Failed Unions

OW1809143995 Tokyo NIHON KEIZAI SHIMBUN in Japanese 13 Sep 95 Morning Edition p 1

[FBIS Translated Text] The outline of an interim report (on progress in discussion) to be issued on 27 September by the financial system stabilization panel under the Committee on Financial Systems Research (advisory panel to the finance minister) was decided on 12 September. Regarding the pending issue of using public funds to liquidate failed financial institutions, the panel will approve the idea on such conditions as responsibility of the management of bankrupt institutions being scrutinized and some steps, including stepping down from the post, be taken. To prevent financial institutions from going into bankruptcy, the panel will recommend the introduction of measures to rectify their business operations at an early date based on concrete management indicators. It will also call for reform of the deposit insurance system so that governing authorities can promptly take compulsory procedures in liquidating failed financial institutions.

The interim report will emphasize the idea of minimizing costs for disposing of failed institutions by taking prompt action. The introduction of public funds to liquidation of failed financial institutions is approved as an emergency measure when financial aid from the government-affiliated Deposit Insurance Corporation and relevant financial institutions is not enough. In that case, strict conditions are attached.

In the interim report, the panel will propose establishing an "early rectification system" [soki zesei sochi], under which supervisory authorities can restrict operations of financial institutions in stages, and advise on improving business conditions depending on how their management indicators, such as ratio of net worth to total capital, are deteriorating. The report will stipulate a plan to introduce a system for taking compulsory procedures with financial institutions which are virtually in insolvency. Considering that those institutions are going bankrupt, supervisory authorities can take prompt action, such as submitting a petition for bankruptcy to a court, or preserving assets. It will also note the need to increase funds for liquidating failed institutions through such steps as raising deposit insurance premiums to be paid to the Deposit Insurance Corporation. Moreover, the interim report will call for a system of cutting part of credits of large depositors on a medium-term basis to cover liquidation costs. Thus, depositors will be urged to assume more responsibility for their holdings.

There are a series of bankruptcies involving cooperative financing institutions such as credit unions [shinyo kumiai]. In this connection, the panel will maintain that supervisory authorities need to urge some credit unions — which have repeatedly violated regulations on collecting deposits from non-credit union members — to shift their business status to a credit association [shinyo kinko] or a bank. The Finance Ministry will indicate the outline of the interim report on 21 September. The panel intends to continue discussions on housing loan corporations (jusen) until late September.

Police To Rearrest Head of Failed Credit Union

OW1609140295 Tokyo KYODO in English 1347 GMT 16 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 16 KYODO — The Tokyo Metropolitan Police Department has decided to bring a fresh charge of breach of trust against the president of an insolvent credit union in a widening loans scandal, police sources said Saturday [16 September].

The sources said Harunori Takahashi, former president of the Tokyo Kyowa Credit Association, will be rearrested early next week along with the president of a golf club company.

Takahashi, the golf club owner and others allegedly connived to extend 1.2 billion yen in collateral-free loans to Chichibu Kaihatsu, a Tokyo-based golf course developer in 1993.

The money was then channeled to the golf club company Forum Country Club, leading police investigators to speculate that Chichibu Kaihatsu was a dummy company that Takahashi had helped to set up.

On Monday, prosecutors issued a fresh charge of breach of trust against Takahashi for his role in extending some 6.2 billion yen in illegal loans from the credit union.

The Tokyo District Public Prosecutors Office charged Takahashi with providing the loans to four companies affiliated with him between July 1992 and April 1994 with knowledge that they could not be collected.

Takahashi has already been indicted on a charge of breach of trust for his role in arranging for another bankrupt credit union, Anzen Credit Bank, to lend some 11.9 billion yen beyond legal limits with knowledge that the loans could not be reimbursed.

The two credit unions failed due to heavy burdens of bad loans amassed through the former bosses' lax loan policies and suspected illegal lending operations.

The two credit unions were taken over by Tokyo Kyodou Bank, a special bank set up under a rescue package mapped out by financial authorities to deal with the bad loans left by the two credit unions.

Shinshinto Seeks Y10 Trillion on Public Works

OW1909131395 Tokyo KYODO in English 1108 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — The main opposition party urged the government Tuesday [19 September] to implement a large-scale pump-priming economic package comprising the disbursement of more than 10 trillion yen [Y] on public works projects in the current fiscal year.

Shinshinto (New Frontier Party) made the appeal in an emergency economy stimulus proposal prepared by its shadow cabinet.

The coalition government of Prime Minister Tomiichi Murayama is set to unveil a package of pump-priming measures totaling about 14 trillion yen Wednesday.

The Shinshinto proposal sought the disbursement of more than 10 trillion yen on public works projects within fiscal 1995, which ends next March 31, to stimulate domestic demand for goods and services.

The opposition party called for the disbursement of 5 trillion yen for such projects as consolidation of the social infrastructure, including construction of roads and sewage systems, and improvement of social welfare.

SDPJ Members Surveyed on Forming New Party

OW1809132495 Tokyo MAINICHI SHIMBUN in Japanese 14 Sep 95 Morning Edition p 1

[FBIS Translated Text] On 13 September, the MAINICHI SHIMBUN released a report on a poll it conducted of dietmen affiliated with the ruling Social Democratic Party of Japan [SDPJ] about the issue of forming a new party. Sixty-five dietmen responded to the poll. The report shows that although the SDPJ decided at its May extraordinary party convention to form a new party, 6 percent of the respondents "opposed" forming the new party, and 28 percent of them said, "Even if the new party is formed, the possibility cannot be ruled out that we will not participate in the new party." As a result, some legislators are expected to bolt from the SDPJ in the course of forming the new party. Like a previous poll taken by the MAINICHI SHIMBUN on secretaries general of the SDPJ's local chapters, the report showed that former Hokkaido Governor Takahiro Yokomichi was the top candidate for the post of SDPJ chairman.

The MAINICHI SHIMBUN conducted the poll of 107 lawmakers affiliated with the SDPJ from early September through the method of letting the lawmakers directly answer written questionnaires.

The 6 percent of those polled who expressed their opposition to forming the new party are members of the Constitution Protection Council, an intra-SDPJ group formed when the SDPJ held its extraordinary party convention in May. Asked to cite the reasons why they opposed forming the new party, they — including Tetsuo Yamaguchi, a member of the House of Councilors — said, "Even if the SDPJ forms a new party, it will be unable to win new supporters."

More than 90 percent of the respondents supported forming the new party, but many of them said, "The possibility cannot be ruled out that we will not participate in the new party." Their opposition to forming the new party was taken as an indication of their intentions to reject the new party, depending on the method of its formation. Asked about the method for forming the new party, half the respondents said they would participate in the "meeting held to call for rallying new political forces" as individuals, and the rest said, "All party members should participate in the meeting."

Asked about the timing for the formation of the new party, like the poll taken on secretaries general of the SDPJ's local chapters, 60 percent of the respondents, or 40 SDPJ lawmakers, said the new party should be formed in "October," "November," "December," or "within this year."

Some 45 percent of those polled nominated Yokomichi to be chairman of the new party, while 18 percent nominated Prime Minister Murayama, and 9 percent named Takako Doi, speaker of the House of Representatives, for the post of the new party chairman. Some legislators nominated Yukio Hatoyama, secretary general of the New Party Sakigake [Harbinger], to be chairman of the new party.

Murayama, Kubo Agree on Launching New Party

OW1909142595 Tokyo KYODO in English
1413 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — Prime minister Tomiichi Murayama, who heads the governing coalition partner Social Democratic Party (SDP), and SDP Secretary General Wataru Kubo reaffirmed Tuesday [19 September] the inauguration of a planned new party in late October, party officials said.

In a meeting at the prime minister's official residence, Murayama urged Kubo to orchestrate a shift of the entire SDP into the new party.

Kubo promised the full backing of the new party for the Murayama administration, saying no ostracism of left-wingers or old-timers is being plotted.

The SDP plans to hold an extraordinary party convention Thursday to discuss the plan to launch the new liberal party to supersede the current SDP and revamp its floundering popularity.

Kubo noted that recent reports deeming his remarks about the impact of the SDP's metamorphosis on the ruling coalition as a call for the early retirement of Murayama did not reflect his true meaning.

The meeting was designed to mend fences between the two top party officials after Kubo's recent comments on the Murayama administration caused tension in the party leadership, party sources said.

Also present at the meeting were Chief Cabinet Secretary Koken Nosaka and the SDP General Affairs Bureau Director Kazo Watanabe.

Some of the participants voiced skepticism about an early launching of the new party, the officials said.

At the Thursday party convention, a new party establishment plan will be proposed, calling for a late October inauguration and "creative development" of the spirit of the constitution, a euphemism for changing the party's stance on key constitutional issues such as the Self-Defense Forces problem.

Although strong opposition from left-wingers is expected at the convention, the plan is likely to be endorsed, the sources said.

The SDP will then be disbanded just before its 50th anniversary Nov. 2 and will be replaced by the new party.

Meanwhile, left-wing hard-liners within the party have decided to seek a vote by all party members on the dissolution of the party and to establish a new SDP if the plan is approved as it is.

Kubo Comments on Formation of New Party

OW1809121695

[FBIS Editorial Report] Tokyo NHK General Television Network in Japanese at 0001 GMT on 17 September broadcasts a live, 17-minute interview with Wataru Kubo, secretary general of the Social Democratic Party of Japan [SDPJ], by NHK moderator Takashi Yamamoto.

Asked about the schedule for the formation of a new liberal party, Kubo, who joins the program by remote hookup from Kagoshima prefecture, says that political forces involved in forming the new party must accelerate their efforts so that the new party can take part in the next general election.

While adding that it would be desirable to clarify the timing of the new party inauguration at the next SDPJ convention, Kubo says he hopes the foundation of the new party will be clearly revealed to the public by the end of October.

Yamamoto notes that New Party Sakigake [Harbinger], except for chairman Masayoshi Takemura, seems to have negative feelings about merging with the SDPJ. Kubo relies: "The formation of the new party does not mean the merger of the existing parties. However, the two parties have a lot in common. For example, both think it is necessary to form a new political force, and both share the same views on politics and political ideals for the forthcoming new era. Therefore, I think the SDPJ and Sakigake can maintain a relationship of mutual cooperation in forming the new party but not merging into one political force. The fact is that both parties, inspiring each other, are now continuing discussion at every opportunity."

When asked about the SDPJ intraparty conflict of opinion on forming the new party, Kubo says that the SDPJ leadership should allow individual members to join the new party at their own discretion, although it is desirable that the party be formed with the participation of all SDPJ members.

When it comes to the leadership of the new party, Kubo notes that Murayama reportedly indicated his intention not to assume the post of party head. He said: "Since the new party will be created to assume responsibility for a new era of Japanese politics, I think it is better for younger people, not people in my generation, to lead the party."

Avoiding clear-cut comments on dissolving the House of Representatives to hold a general election, Kubo only says it is not the right time for the SDPJ to decide when to dissolve the House of Representatives.

Lastly, Kubo reiterates the formation of the new party by next month, saying: "Should we fail to do that by the end of October, we will be forced to drastically change our new party plan and our role in future politics."

SDP's Kubo Comments on Support to New Party

OW1909094795 Tokyo KYODO in English
0808 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — A new party of liberal forces being planned to replace the Social Democratic Party (SDP) would give its full support to the government of Prime Minister Tomiichi Murayama, SDP Secretary General Wataru Kubo said Tuesday [19 September].

"We feel that there is no need to have a change in government, even when the new party is formed, at least, not right away," Kubo said in an address to a luncheon meeting at the Foreign Correspondents Club of Japan.

The SDP convenes an extraordinary party convention Thursday to consider disbanding itself and establishing the new party in late October as a broader-based party of liberal and social democratic forces.

Kubo said, however, "the responsibility of governing the country exceeds by far what is within the bounds of a single party and that it exactly the responsibility that (Murayama) is fulfilling."

Murayama presides over a coalition of the SDP, the Liberal Democratic Party (LDP), and New Party Sakigake [Harbinger].

Kubo expressed concern over the future of Japanese politics being dominated by two conservative parties, the LDP, the largest force in the three-party coalition, and the main opposition party Shinshinto (New Frontier Party).

He said the new party would be a voice for liberal, social democratic forces in Japan, seeking not only to "protect the constitution," the philosophy of the SDP, but also advocating the "creative progress" of the constitution.

Kubo said the plans to establish a new party are an extension of plans to reform the SDP that were initiated in 1986.

Those plans were interrupted, however, with the end of 38 years of rule by the LDP in the summer of 1993, which led eventually to the creation of the current ruling coalition in June 1994.

"Under such changes we did not feel it would be appropriate merely to reorganize the party and amalgamate the forces of social democrats and liberals. What is necessary is to form a new party," Kubo said.

Hashimoto on Premier, Ruling Party Leader

OW1909075795 Tokyo KYODO in English
0620 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — Separation of the premiership from the top post of a ruling party is possible, trade minister Ryutaro Hashimoto, a candidate for the Sept. 22 presidential election of the Liberal Democratic Party, said Tuesday [19 September].

"Such an idea is basically not desirable but it is possible under a coalition government," Hashimoto told a news conference.

Prime Minister Tomiichi Murayama, head of the Social Democratic Party (SDP), said in Jerusalem Sunday, during the prime minister's tour of Middle East countries, that one should not serve as prime minister under the parliamentary system if one is not the head of a ruling party.

The SDP is planning to disband in late October to form a new "democratic and liberal" party.

Political analysts said Murayama's remarks indicate Murayama predicts the formation of the new party will be delayed beyond late October.

Murayama also ruled out the possibility of resigning from the premiership by the end of the year.

Hashimoto's comment indicates his preference that Murayama serve as prime minister even if a new party to succeed the SDP is led by someone other than Murayama.

NFP's Ichikawa Comments on General Election

OW1909094895 Tokyo KYODO in English
0636 GMT 19 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 19 KYODO — The House of Representatives should be dissolved for an early general election, a senior official of Japan's main opposition party said Tuesday [19 September].

"I believe it would be best if a general poll were held at an early date," Yuichi Ichikawa, chief of the Diet affairs panel of Shinshinto (New Frontier Party [NFP]), said at a lecture sponsored by KYODO NEWS SERVICE.

While dismissing calls for the alteration of the newly adopted but yet-to-be tested polling system for the lower house, Ichikawa noted that Japan's political map will become clear once a general election is held under the new formula.

The new electoral method combines single-seat voting districts with proportional representation. It is widely believed that an election under the system will drastically change the nation's political landscape.

Ichikawa, a close ally of Shinshinto Secretary General Ichiro Ozawa, blasted the disunity within the coalition administration of Prime Minister Tomiichi Murayama, saying, "the government has already lost its centripetal force."

In the wake of their setbacks in the House of Councillors election in July, the coalition parties — the Liberal Democratic Party, Murayama's Social Democratic Party and New Party Sakigake [Harbinger] — are trying to demonstrate their individual identities, rather than to maintain coalition unity, Ichikawa said.

Noting that the economy has become the key political issue, Ichikawa reiterated that Shinshinto is seeking to revamp Japan's outdated economic structure once and for all.

North Korea

U.S.-ROK 15-16 Sep 'Air War Exercises' Cited

SK1909044995 Pyongyang KCNA in English 0435 GMT 19 Sep 95

[FBIS Transcribed Text] Pyongyang, September 19 (KCNA) — The U.S. imperialist warmaniacs and the South Korean puppets staged large-scale joint air war exercises against the North, in the skies above Tokjok and Anmyon Islets and Sangdong of South Korea on September 15 and 16, military sources said.

Massively hurled into the war games were scores of carrier-borne assault planes, commanding planes, refueling tankers and electronic jamming planes from overseas bases and above 900 righters, reconnaissance planes and electronic warfare helicopters of the U.S. Air Force in South Korea and the puppet air force.

On the 15th, an overseas-based KC-135 was sent to the sky above waters off Kunsan to have a drill of in-flight refueling to flying corps of the U.S. and puppet air forces.

On the same day, a heavy tank group of the puppet army took forward positions in the western sector of the front and fired more than 80 shells advancing toward the demilitarized zone.

On the 15th and 16th, 105 mm and 106.7 mm artillery groups of the puppet army were deployed in the combat positions in western and central sectors of the front and fired some 450 shells in a direction of the areas adjacent to the DMZ. Puppet armed bandits fired 12.7 mm machine-gun and automatic rifle bullets.

The U.S. imperialist warlikers and the Kim Yong-sam group must not act rashly, mindful that only death is waiting for the warmaniacs.

Daily Denounces Seoul's Arms Buildup

SK1909050695 Pyongyang KCNA in English 0444 GMT 19 Sep 95

["Reckless Acts of Bellicose Elements" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 19 (KCNA) — The Kim Yong-sam group of South Korea recently decided to set up the coming year's "defense budget" amounting to 12,260 billion won, 10.7 percent larger than this year's, and had a criminal confab to push ahead with war preparations. And they have staged one military exercise after another.

In this regard, NODONG SINMUN today says the puppets' large compilation of the "defense budget", arms buildup and military manoeuvres even in Seoul are very dangerous acts proper to warmongers and unpardonable anti-national crimes which chill the fellow countrymen's ardent desire for peaceful reunification.

In a commentary the paper notes:

Some time ago, the Kim Yong-sam bellicose group signed the "military-related agreement" with the United States and have taken over hundreds of tanks, tens of thousands of tons of ammunition and large quantities of other combat equipment from the U.S. forces in South Korea. They also continue bringing latest-type military hardware into South Korea from the United States.

They drove the situation of the Korean peninsula to the brink of war by staging again with outside forces the joint military exercise Ulchi Focus Lens, which was continuation of the nuclear war exercises Team Spirit aimed at making a surprising attack on the North.

They have introduced large quantities of war supply into the Demilitarized Zone along the Military Demarcation Line, presenting a grave military threat to the northern portion.

It goes without saying that all their military moves are premeditated provocations designed to put into effect the "war scenario" they already worked out to invade the North.

It is the revolutionary disposition of our people and People's Army not to pardon provokers.

The Kim Yong-sam group would be well advised to stop acts as reckless and foolish as a puppy feeling no fear of tiger.

Seoul Rally on Kwangju Uprising Reported

SK1809110195 Pyongyang KCNA in English
1012 GMT 18 Sep 95

[FBIS Transcribed Text] Pyongyang, September 18 (KCNA) — Over 3,000 citizens and students rallied and demonstrated on September 16 in Seoul demanding punishment of the architects of Kwangju bloodbath, according to radio reports from Seoul.

The people's committee for probe into the truth of May 18 incident and inheriting the spirit of Kwangju uprising sponsored the 4th people's rally in Youido Square, Seoul and vehemently exhorted the puppet government to institute a special law for probe into the truth of May 18 incident and punishment of those responsible for it. The ralliers, in a resolution adopted at the rally, called for enactment of a special law concerning the May 18 incident and the punishment of those responsible and reiterated their determination to expand the signature campaign to that end and successfully hold the 5th people's rally.

After the rally, the students went over to a demonstration chanting "punish the Kwangju murderers", and pelted stones at the riot police when they blocked their way ahead firing teargas.

The general student councils of some 100 universities across South Korea plan to launch a school strike univocally on September 29-30 in demand of the enactment of a special law for punishing the architects of May 18 massacre.

Radio Criticizes South's Theory on Unification

SK1909091295 Pyongyang Korean Central Broadcasting Network in Korean
0754 GMT 17 Sep 95

[Unattributed talk: "The Puppets' Theory on Unification of Systems Is Aimed at Permanent National Division"]

[FBIS Translated Text] Now all Korean compatriots at home and abroad who desire peace and reunification of the country call the method of reunification based on a confederal system — which was fixed as the nation's common method of reunification at the recent grand national meeting — a complete pattern of the fatherland's reunification. They have launched into the pannational struggle to establish a reunified country based on a confederal system.

The South Korean rulers, however, are meanly maneuvering to smear the reunification method based on a confederal system, which not only all the Korean people but the people of the world support and sympathize with, putting forward a rival reunification theory against it.

The so-called theory on unification of systems put forth by the South Korea puppets headed by Kim Yong-sam is, by nature, aimed at achieving reunification based on a unified system by removing the North's ideology and system.

The great leader Comrade Kim Il-song taught: It has already been proven by history that neither North nor South Korea can reunify the country by swallowing up the other, whether by war or in a peaceful way.

The theory on unification of systems blared out by the South Korean puppets neglects the specific reality of our country that different systems exist in North and South Korea. Our country's stark reality is that North and South Korea have different systems and neither side would concede its own system to accept the other's. Under this reality, it is unrealistic to reunify the country based on a unified system; it is impossible to know when such reunification can be realized.

According to the theory on unification of systems insisted on by the South Korean puppets, reunification can be realized only when either North or South Korea concedes its own ideology and system; that is, reunification will never be achieved unless either side concedes its ideology and system.

We cannot concede the popular masses-oriented socialism of our own style, which is the most superior system in the world, to anyone else. The South Korean puppets are desperately trying to maintain their colonial fascist dictatorial system by any means. People have the freedom to choose their ideology and system; no one can force others to choose a certain ideology or system.

Under the specific condition that our country has been divided in two for over half a century due to the U.S. imperialists' occupation of South Korea, unification of systems presupposes one side swallowing up the other, no matter how it is realized. However, neither North nor South Korea can accept this. If one side tries to force the other to accept something that cannot be accepted, distrust and confrontation will only be aggravated inside the nation and further conflicts and an unremediable national disaster will result.

The South Korean puppets' insistence on the theory on unification of systems, which urges reunification by incorporating one side's system into the other's, shows their ambition to reunify the country through a northward invasion by expanding the colonial fascist dictatorial system of South Korea to the North. But this is merely a wild fancy that can never be realized.

The South Korean puppets put forth the unrealistic theory on unification of systems and are misleading public opinion in a bid to make two Koreas by maintaining the country's division permanently. This is out of a criminal attempt to prevent national reunification.

The Kim Yong-sam ring is advertising its so-called method of South-North alliance as if it were a justifiable method of reunification. However, it is a preliminary proposal prior to the fanciful theory on unification of systems aimed imminently at maintaining the current system of division, and ultimately at spreading South Korea's corrupt colonial fascist system to the North. It is a thoroughly antinational theory for division and war, whose content is the same as theories proposed by preceding fascist dictators, such as the theory on reunification through a northward advance which was put forth in the fifties, the construction-first and reunification-later theory in the sixties, the method of national harmony and democratic reunification proposed by the Fifth Republic, and the method of reunification through a Korean commonwealth which was proposed by the Sixth Republic.

This is why delegates from the North, the South, and overseas to the great national meeting, which was held at Panmunjom on the occasion of the 50th anniversary of the fatherland's liberation, unanimously and sternly punished and denounced the Kim Yong-sam ring, who are deterring realization of the method of reunification based on a confederal system.

What is essential in resolving our country's reunification issue is resolution of the self-contradictory reality in which there is an urgent national demand for reunification of the fatherland, while at the same time different systems exist in North and South Korea. Anyhow, reunification of the fatherland cannot be achieved by one side forcing the other to accept its system; this way means confrontation and war.

The Kim Yong-sam ring should immediately throw the theory on unification of systems — which is opposed and criticized by all the people since it is an antinational, anti-peace, anti-reunification, and deceptive method of reunification — into the trash can of history and correspond to the fair and just method of reunification based on a confederal system, which all the people have fixed on as the common reunification method.

The best choice our people who aspire for peace can make is the establishment of a nationally reunified country based on a cofederal system with a nation, a state, two systems, and two governments.

All the Korean people in the North, the South, and overseas should be aware that realization of a confederal system is the only way to reunification and they should launch into the struggle opposing the Kim Yong-sam ring's theory on unification of systems that runs counter to the method of reunification based on a confederal system and that will bring permanent national division and the tragedy of fratricidal war.

South Scored on Using 'Fictitious Nuclear Issue'

SK1909052095 Pyongyang Korean Central Broadcasting Network in Korean 1222 GMT 18 Sep 95

[NODONG SINMUN 18 September commentary: "The Indiscreet and Ridiculous Act"]

[FBIS Translated Text] Bad habits are hard to break. At a meeting for the preparation of a Eurasian summit recently held in Thailand, the South Korean puppets reportedly proposed to add the discussion on a joint action against our nuclear issue to the political agenda of the summit slated for early March next year. This shows that the Kim Yong-sam ring still has not abandoned the bad habit and evil mind frenzied by the plot to harm and crush the compatriots using the fictitious nuclear issue of ours.

The so-called nuclear issue of the North was a fiction invented by the international reactionaries to crush our socialism, and a product of the hostile policy against our Republic. Following the DPRK-U.S. talks, the announcement of the agreed framework, and the ongoing implemental work to resolve the root of the nuclear issue of the Korean peninsula, the entire world knows that the fiction has disappeared. The Kim Yong-sam ring had persistently interfered to delay and break the DPRK-U.S. talks using the fictitious nuclear issue of the North and talking about sanctions and alliance. This eventually made them lose their faces like a dog looking up to the roof after chasing a chicken, but they still have not learned a lesson but are gadding about proposing joint actions. How ridiculous? Have they not had enough bitterness and humiliation?

The Kim Yong-sam ring has neither right nor pretext to raise the nuclear issue of the North. As the whole world recognizes, the nuclear issue of the Korean peninsula emerged because the South Korean puppets and their U.S. masters threatened us by bringing in numerous nuclear weapons to South Korea. Today, the nuclear threat on the Korean peninsula comes not from the nuclear-free North but from the South, where nuclear weapons are mobilized all over for actual deployment and where nuclear war exercises are ceaselessly being conducted.

Nevertheless, the puppets have turned their back on the nation's demand to withdraw nuclear weapons from South Korea and have persistently begged for the protection of U.S. nuclear umbrella. They are even growing their own nuclear mushroom under the shadow. It is no longer a secret that the Kim Yong-sam ring is producing a large volume of plutonium in the heavy-water reactors in Wolsong and the multipurpose reactor in Taedok, and that it is developing with bloodshot eyes fast breeder reactors to breed a large volume of plutonium for warheads.

If the Kim Yong-sam ring is concerned a bit about the nation's destiny and truly desires the denuclearization of the Korean peninsula, it should not raise the fictitious nuclear issue of the North but should raise the withdrawal of U.S. nuclear weapons and nuclear bases deployed in South Korea. Our plan to show the nuclear transparency by replacing the graphite-moderated reactor program with the light-water reactor technology and our efforts to implement the plan should be answered by South Korea's closedown of heavy- water reactors and multipurpose reactors and giving up of the development of fast breeder reactors.

The puppets, who have given South Korea as the U.S. advance base of nuclear war while accelerating its own nuclear weapons development, are gadding about with the fictitious nuclear issue of the North and trying to slander and harm us. It is indeed brazen-faced and ridiculous like the thief turning on the master with a club. The Kim Yong-sam ring is not doing and saying what it should, but raving about the fictitious nuclear issue of the North, reversing black and white and misleading public opinion. This cannot be otherwise explained but that it is trying to exclude its real nuclear issue from the agenda and justify its maneuver to develop nuclear weapons.

The South Korean puppets will gain nothing from the slanderous nuclear commotion. The South Korean puppets failed to include our nuclear issue in the chairman's statement of the first ASEAN Regional Forum held in July 1994. They also proposed to establish an unfeasible Northeast Asia Security Consultative, which was refused by the concerned countries, but they still have not learned to be prudent. People who cherish justice and truth and love peace are well aware of the slanderous nature of the nuclear commotion raised by South Korean puppets. The people will never forgive the traitorous groups, who are anxious to harm the compatriots by raising the fictitious nuclear issue.

Ceremony Marks Distribution of UN Relief Goods

SK1909043995 Pyongyang KCNA in English 0425 GMT 19 Sep 95

[FBIS Transcribed Text] Pyongyang, September 19 (KCNA) — Relief goods jointly provided by the United Nations Development Programme [UNDP] and the Department of Humanitarian Affairs of the United Nations were conveyed to the inhabitants in the flood-afflicted areas in Sinuiju, North Pyongan Province.

A ceremony of handing the relief goods took place on Monday.

Present there were inhabitants of the flood-hit areas, officials concerned and G. Faruq Achikzad, resident representative of UNDP and concurrently resident coordinator of the United Nations system's operational activities for development in Korea, and his associates.

Comfort Women Video Screened at Women's Forum

SK1509235595 Pyongyang KCNA in English 2159 GMT 15 Sep 95

[FBIS Transcribed Text] Pyongyang, September 15 (KCNA) — A delegation of the measure committee of the Democratic People's Republic of Korea for demanding compensation to the "comfort women for the Army" and the victims of the Pacific war which attended the non-governmental organisations forum of the 4th World Conference on Women gave a video film show and a hearing in Beijing on September 5 to expose the military sexual servitude forced by Japan in the wartime.

The Korean video film on the issue of the "comfort women for the Army" was screened, which was followed by a keynote report on the sufferings of Korean "comfort women for the Army" and on the stand of the DPRK toward them.

Then, the head of the delegation answered questions about the crimes concerning the "comfort women for the Army" committed by the Japanese imperialists and about the attitude of the Japanese Government toward them.

She replied that during the Second World War, the Japanese imperialists drafted by force more than 200,000 women whose majority was the Korean women and made them sexual slaves for the Japanese Army. After using them, they killed most of the women, she added.

She further said:

Such heinous sexual violence was branded as violating the international law, resolutions demanding a fair solution to this issue were adopted at the meetings of the U.N. Commission on Human Rights and other international conferences and visits of fact-finding teams of international organisations were made.

"Nevertheless, the Japanese Government challenged the calls of the world conscience and victims with the installation of a 'national fund' intended to shirk any compensation and state responsibility."

Kim Chong-il Sends Relief Goods to Flood Victims

In Kangwon Province

SK1609141595 Pyongyang Korean Central Television Network in Korean 1100 GMT 13 Sep 95

[FBIS Translated Text] The great leader [yongdoja] Comrade Kim Chong-il has sent a large amount of relief goods to flood victims in Pyonggang County, Kangwon Province.

People in Pyonggang County more deeply feel the superiority of our-own-style socialism, in which all the people are living harmoniously in a large family under the wise leadership of the great leader [yongdoja] Comrade Kim Chong-il, and are firmly resolved to repay his love and benevolence with loyalty.

[Begin recording] [Unidentified male] Kangwon Province had an unprecedentedly large amount of rainfall this rainy season. Two hundred to 400 mm of rain fell per hour in early August in Toksong, Ichon, Kumgang, and Chorwon Counties. This rainfall caused much damage.

Upon learning of this, the great leader [yongdoja] Comrade Kim Chong-il took benevolent measures calling on ministries and committees to extend material and spiritual assistance to people in the afflicted areas. Cherishing the respected and beloved general's benevolent love in their hearts, the party Central Committee, the Central People's Committee, and ministries and committees of the Administration Council have sent relief goods here with the sentiment of helping blood brothers.

[Unidentified female] General Kim Chong-il, the great leader [yongdoja] and the father of our popular masses, has sent us relief goods, which is something we will never forget. This is benevolent love that only the great leader [yongdoja] General Kim Chong-il can extend. Because there is the great leader [yongdoja] Comrade Kim Chong-il, we have again realized how good our socialist system is and how important our party is.

[Second unidentified female] When they received the boundless love and benevolence of respected and beloved General Kim Chong-il, not only families of cells of our work team but also members of farms and their families felt delight at the general's boundless love and benevolence.

General Kim Chong-il has sent us relief goods. How can we fully describe his love and benevolence? Truly, General Kim Chong-il is our people's true father and our people's great leader [wihaehan suryong]. I have again come to cherish in my heart the notion that as long as there is the respected and beloved General Kim Chong-il, we can break through any obstacles or difficulties. I will do farm work well and achieve bumper crops every year to give great joyous and satisfaction to respected and beloved General Kim Chong-il. [end recording]

In Unpa, Ichon Counties

SK1609041095 Pyongyang Korean Central Television Network in Korean 1100 GMT 13 Sep 95

[FBIS Translated Text] Meetings have been held to deliver gifts from Comrade Kim Chong-il, great leader [yongdoja] of our party and people, to the residents of Unpa and Ichon Counties who have been stricken by the flood.

At the meetings, the gifts sent by the great leader Comrade Kim Chong-il were delivered amid the resounding applause of the meeting participants.

Expressing deep gratitude, speakers said: The great leader Comrade Kim Chong-il, who practices politics while placing the popular masses' interests above anything else, was the most concerned about the unexpected disaster they suffered and has sent them gifts of love, like their own father.

They said that, with his love and benevolence extended to them today, they could feel keenly again that the bosom of the respected and beloved comrade general is indeed the bosom of the great father to whom our people can entrust their destinies forever throughout their lives. They hardened their resolution to devote their minds and bodies to the sacred struggle to glorify our country, our fatherland.

Kim Chong-il's Works Carried in Foreign Press

SK1809050495 Pyongyang KCNA in English 0436 GMT 18 Sep 95

[All publications' names are as received]

[FBIS Transcribed Text] Pyongyang, September 18 (KCNA) — Famous works of the great leader Comrade Kim Chong-il were carried by foreign newspapers and magazines.

The Tajik paper GOLOS TAJIKISTANA and the Zairese paper LE STANDARD carried the work "Giving Priority to Ideological Work Is Essential for Accomplishing Socialism".

The Madagascan paper IMONGO VAOVAO ran an article explaining this work under the title "Library Which Indicates Road of Victory of Socialism".

Meanwhile, the work "Socialism Is a Science" was carried by the Bangladeshi papers KHABAR and NATUN KATHA and magazine DHAKA and the work "Abuses of Socialism Are Intolerable" by the Bangladeshi papers AZIKHER KHAJOZ and HOKBANI and magazine SAMIKAN and the Romanian paper SCINTEIA SOCIALISMULUI.

Foreigners Praise Kim Chong-il Leadership

Seoul Resident's Article Cited

SK1509130295 Pyongyang KCNA in English 1019 GMT 15 Sep 95

[FBIS Transcribed Text] Pyongyang, September 15 (KCNA) — A resident in Seoul Kim Song-chin made public an article titled "I want to live under leader Kim Chong-il's politics" according to Radio Voice of National Salvation in Seoul.

He said in the article that listening to Radio Pyongyang, he was deeply moved to tears at the news that thousands of flood victims were all saved and supplied with living conditions when some areas of Sinuiju City and Uiju County, North Pyongan Province, were flooded by unexpected heavy rain in early August.

He continued:

Upon receiving the news of flood in the Sinuiju areas, the great leader Kim Chong-il immediately issued an order of the supreme commander to units of the Korean People's Army so that they saved all flood victims by mobilizing all their efforts and modern equipment. He took state measures to stabilize the life of the victims, according to Radio Pyongyang.

I have heard many a time that socialism in the North is a system good to live in where people are masters. This time the leader Kim Chong-il saved all flood victims, deeply considerate of their lives. Upon hearing about this great measure, I keenly felt that the leader Kim Chong-il is the people's benevolent father who spares nothing for the people.

The leader Kim Chong-il is really the people's father, who values the people most and devotes his all thought and practice to happiness of the people.

The army and people in the North move as one on his orders. They regard others' sufferings as their own. They render disinterested and full assistance to sufferers. This is a result of the leader Kim Chong-il's great and wise politics, benevolent politics for the people.

The news of the benevolence of the great leader Kim Chong-il for the flood victims reminded me of the South Korean people, who used to suffer a great deal whenever a disaster happened.

Recently some areas of the South were flooded by heavy rain, so many people died and much property was lost. But no one was interested in them. Only those who were rendered homeless lamented their plight. The miserable become more miserable in South Korea based on individualism, where help needs payment, everyone is selfish and money is almighty.

Kim Song-chin stressed that he is more anxious to live under the politics of the leader Kim Chong-il, who looks after all the people with parental affection.

Nepalese Journalist Interviewed

SK1609151995 Pyongyang KCNA in English 1505 GMT 16 Sep 95

[FBIS Transcribed Text] Pyongyang, September 16 (KCNA) — His Excellency Kim Chong-il is a symbol of all successes and victory, said Harihar Birahi, president of the Nepal Journalist Association, in an interview with KCNA before leaving for home.

Pointing out that during his stay, he was most deeply impressed by the fact that the Korean people deeply revere the great leader Comrade Kim Chong-il and uphold his leadership with loyalty, he said:

The Korean people are successfully carrying on the revolution and construction under the wise leadership of His Excellency Kim Chong-il, their supreme leader.

His Excellency Kim Chong-il is creditably applying the idea and leadership of President Kim Il-song in practice, defending his revolutionary exploits.

His Excellency Kim Chong-il is a great man with clairvoyant intelligence.

The Korean people are confidently advancing along the road of victory as they hold him in high esteem as their supreme leader.

Everywhere we went in your country, we were deeply impressed by the fact that all the Korean people from children to old persons deeply respect His Excellency Kim Chong-il, their supreme leader, and sing songs of reverence for him.

Only victory and glory are in store for the Korean people, who are advancing under the leadership of His Excellency Kim Chong-il.

Brazilian Party Leader Comments

SK1609152795 Pyongyang KCNA in English 1511 GMT 16 Sep 95

[FBIS Transcribed Text] Pyongyang, September 16 (KCNA) — Secretary General of the Central Committee of the October 8 Revolutionary Movement of Brazil

Claudio Campos, Chairman of the Brazilian Democratic Movement Luis Henrique and Chairman of the Central Committee of the Brazilian Communist Party Joao Amazonas met the delegation of the Workers' Party of Korea respectively from August 24 to September 2.

Claudio Campos said that respected Comrade Kim Il-song is the most outstanding leader of the 20th century who made great contributions to the human cause of independence by founding the immortal chuche idea and wisely leading the struggle of progressive peoples of the world for socialism, national independence and peace under its banner.

He further said:

Respected Comrade Kim Chong-il took a measure to preserve Comrade Kim Il-song in state at Kumsusan Memorial Palace on the occasion of the first anniversary of his death, thereby satisfying the ardent desire of the revolutionaries and progressive peoples of the world to follow Comrade Kim Il-song forever as the sun of chuche.

Great achievements have been made in political, economic, cultural and all other domains of social life in Korea under the wise leadership of the dear leader Comrade Kim Chong-il.

Comrade Kim Chong-il is the destiny of humankind and the great leader of the world revolution.

His work "Giving Priority to Ideological Work Is Essential for Accomplishing Socialism" is a famous classic work indicating a scientific way for accomplishing socialism and a fighting programme for the revolutionaries all over the world.

Joao Amazonas said that respected Comrade Kim Il-song was a genius-like leader and an outstanding great man in the present era who wisely led the struggle of the people for independence and social progress against the imperialist forces.

We are greatly encouraged by the fact that all things are going well in Korea under the leadership of the dear leader Comrade Kim Chong-il, who inherited the idea and leadership of Comrade Kim Il-song, he said.

World Figures Send Independence Day Greetings

State Leaders Send Congratulations

SK1609063095 Pyongyang KCNA in English 0422 GMT 16 Sep 95

[FBIS Transcribed Text] Pyongyang, September 16 (KCNA) — Messages were sent to the great leader Comrade Kim Chong-il by foreign state leaders, congratulating him on the 47th anniversary of the Democratic People's Republic of Korea.

They came from Kyrgyz President Askar Akayev, Moldovan Prsident Mircea Ion Snegur, Moroccan King Hassan II, Slovak President Michal Kovac, Malawian President Bakili Muluzi, Malian President and head of state Alpha Oumar Konare, Tajik President Emomali Rakhmanov, Sudanese President 'Umar Hasan Ahmad al-Bashir, Acting King of Jordan Hasan Bin-Talal, Norwegian King Harald V, Ghanaian President Jerry John Rawlings, Saharan President Mohamed Abdelaziz, Finnish President Martti Ahtisaari, Mauritanian President Maaouiya Ould Sid, Kazakh President Nursultan Abishevich Nazarbayev, Bahamanian Governor-General Orville Alton Turnquest, Ethiopian President Negasso Gidada and Rwandan President Bizimungu Pasteur.

The messages extend the warmest congratulations to Comrade Kim Chong-il on the national day and wish him good health and a long life.

They express the belief that friendly and cooperative relations between their countries and the DPRK will further strengthen and develop.

State, Party Leaders Send Messages

SK1809051795 Pyongyang KCNA in English 0442 GMT 18 Sep 95

[FBIS Transcribed Text] Pyongyang, September 18 (KCNA) — The great leader Comrade Kim Chong-il received telegrams of greetings from state and party leaders of many countries on the occasion of the 47th anniversary of the Democratic People's Republic of Korea.

The messages came from chairman of the C.C. [Central Committee], Lao People's Revolutionary Party and Premier of the Lao People's Democratic Republic [LPDR] Khamtai Siphandon and President of the LPDR Nouhak Phoumsavan; President of Peru Alberto Fujimori; Prime Minister of Barbados Owen Arthur; President of Sri Lanka Chandrika Bandaranaike Kumaratunga; President of Zambia Frederick J. T. Chiluba; President and head of state of the Republic of Central Africa Ange-Felix Patasse; President of Senegal Abdou Diouf; King of Thailand Phumiphon Adunyadet; President of Trinidad and Tobago Noor Hassanali; President of Afghanistan Burhanuddin Rabbani; President and head of state of Equatorial Guinea and founder-chairman of the Democratic Party of Equatorial Guinea Obiang Nguema Mbasogo; chairman of the C.C., Communist Party of the Russian Federation G. A. Zuganov; chairman of the Council of the Union of Communist Parties-the Communist Party of the Soviet Union O. Shenin; chairman of the Liberal Democratic Party of Russia V. V. Zhirinovsky; chairman of the National Committee of the Socialist (Communist) Party of Romania Florian Petrescu; chairman of the Romanian Party for New Society Victor Voichita; and chairman of the Social Communist Party of Angola Francisco Dissaxi.

They warmly congratulated Comrade Kim Chong-il on the national day and wished him a long life in good health.

And they expressed the belief that the relations of friendship and cooperation between their countries and the DPRK and between their parties and the Workers' Party of Korea would further strengthen and develop.

Comrade Kim Chong-il also received messages of greetings, on this occasion, from secretary general of the United Nations Butrus-Butrus Ghali, deputy prime minister and minister of foreign and home affairs of Saint Lucia George Mallet who is the acting prime minister, and the Central Committee of the Communist Party of Romania.

Party Leaders Send Greetings

SK1909050795 Pyongyang KCNA in English 0423 GMT 19 Sep 95

[All names as received]

[FBIS Transcribed Text] Pyongyang, September 19 (KCNA) — The great leader Comrade Kim Chong-il received messages of greetings from foreign party leaders on the occasion of the 47th anniversary of the Democratic People's Republic of Korea.

The messages came from chairman of the Central Committee of the Socialist Party of Bangladesh Khalequzzaman Bhuiyan, general secretary of the Central Committee of the Workers' Party of Bangladesh Rashed Khan Menon, general secretary of the Central Committee of the Jordanian Communist Party Yacob Zayadine, general secretary of the standing secretariat of the Mediterranean Regional Organisation of Socialists [word indistinct] Al Mhdavi, chairman of the People's Front of Workers, Peasants and Students of Peru Genaro Ledesma Izquieta, chairman of the Nationalist Working Class Movement of Peru Eleazar Gutara Marabi, general secretary of the Central Committee of the Communist Party of Peru (Red Motherland) Alberto Moreno, general secretary of the Mariate Guista United Party of Peru Habier Dies Kansseco, general secretary of the Revolutionary Socialist Party of Peru Guzman Rivera Castaneda, general secretary of the Central Committee of the Communist Party of Peru Renan Raffo Munoz, general secretary of the Central Committee of the Socialist People's Party of Mexico Indalicio Sayago Herrera, and general secretary of the People's Electoral Movement of Venezuela Eustoquio Contreras.

Comrade Kim Chong-il also received a message of greetings from the political executive committee of the Kazakh Socialist Party on the national day.

Messages extend warmest congratulations to Comrade Kim Chong-il and wish him a long life in good health.

Messages express the belief that the Korean people will gain success in the socialist construction and in the work for the independent and peaceful reunification of the country under the wise leadership of Comrade Kim Chong-il.

Kim Chong-il Responds to Greetings From Abroad

SK1709092295 Pyongyang KCNA in English 0813 GMT 17 Sep 95

[FBIS Transcribed Text] Pyongyang, September 17 (KCNA) — The great leader Comrade Kim Chong-il sent messages to foreign state and party leaders in reply to their messages of greetings on the occasion of the 50th anniversary of the liberation of Korea.

They were Do Muoi, general secretary of the Central Committee of the Communist Party of Vietnam and Le Duc Anh, president of the Socialist Republic of Vietnam; Sardar Farooq Ahmad Khan Legari, president of the Islamic Republic of Pakistan; Benazir Bhutto, prime minister of the Islamic Republic of Pakistan; Jerry John Rawlings, president of the Republic of Ghana; Sani Abacha, head of state and commander-in-chief of the Armed Forces of the Federal Republic of Nigeria; Obiang Nguema Mbasogo, president and head of state of the Republic of Equatorial Guinea and founder-chairman of the Democratic Party of Equatorial Guinea; B. Dashyondon, general secretary of the Mongolian People's Revolutionary Party; Dogu Ferincek, chairman of the Workers' Party of Turkey; Roland Atta-Kesson, national chairman of the National Convention Party of Ghana; El Hadj Boubacar Biro Diallo, general secretary of the Party for Unity and Progress of Guinea; Vassalo Anthony, general secretary of the Central Committee of the Communist Party of Malta; Frank Baude, chairman of the Central Committee of the Communist Party-KPML (R) of Sweden; Marian Donnelly, president, and Pat Quearney, general secretary, of the Workers' Party of Ireland; Rupert Roopnarine, co-leader of the Working People's Alliance of Guyana; Leslle Ramsammy, leader of the United Republican Party of Guyana; Peter Persaud, leader of the AmerIndian Action Movement of Guyana; Llewelyn John, leader of the People's Democratic Movement of Guyana; Terence Marryshow, political leader of the Maurice Bishop Patriotic Movement off Grenada; Indelicio Sayago Herrera, general secretary of the National Leadership of the Central Committee of the Socialist People's Party of Mexico; Joao Amazonas, chairman of the Central Committee of the Brazilian Communist Party; Orlando Van Amson, honorary chairman of the National Democratic Party of Surinam; Hardial Bains, national leader of the Communist Party of Canada (Marxist-Leninist); Alberto Moreno, general secretary of the Central Committee of the Communist Party of Peru (Red Motherland); Genaro Ledesma Izquieta, chairman of the People's Front of Workers, Peasants and Students of Peru; Gustabo Mohme Ryona, national secretary general of the Socialist Political Action Party of Peru; Luis Mateo Munos, general secretary of the Socialist Party of Peru; Guzman Rivera Castaneda, general secretary of the Revolutionary Socialist Party of Peru; and Angel Castro Lavarello, president, and Tani Valer Lopera, general secretary, of the National Executive Committee of the Left Revolutionary Union of Peru.

Comrade Kim Chong-il in the reply messages expressed deep thanks to them for their warm congratulations and wishes on the occasion of the 50th anniversary of the liberation of Korea.

He expressed the belief that the friendly and cooperative relations between Korea and those countries, between the Workers' Party of Korea and those parties would grow stronger and develop.

Foreign Party Leaders Support Kim Chong-il

SK1909005095 Pyongyang KCNA in English 2151 GMT 18 Sep 95

[FBIS Transcribed Text] Pyongyang, September 18 (KCNA) — Party leaders of different countries expressed full support and solidarity with the Korean people's cause of justice, recently when they met with the DPRK ambassadors and delegations of the Workers' Party of Korea.

Frank Baude, chairman of the C.C. [Central Committee], the Communist Party-KPML (R) in Sweden, said that Korea's victory in the DPRK-U.S. negotiations for the provision of light-water reactors is a victory of all peoples of the world.

The great leader Comrade Kim Chong-il's diplomatic ability is matchless in the world, he said, adding: His diplomatic victory is giving a great encouragement to us.

Alvaro Vasquez Del Real, general secretary of the C.C., the Communist Party of Colombia, said:

Korea which is firmly defending socialism, repulsing all the challenges of imperialists, under the wise guidance of the great leader Comrade Kim Chong-il is a beacon of hope for the world's progressives aspiring after socialism.

We extend full support and solidarity to the Korean people in the endeavours for the building of socialism and national reunification.

Hasanul Huq Inu, general secretary of the Central Executive Committee of the Bangladesh National Socialist Party, said that Korea's socialism is sure to win as it is led by the great leader Comrade Kim Chong-il, who is carrying forward the cause of the great leader Comrade Kim Il-song.

The Bangladesh National Socialist Party will more actively conduct a solidarity movement supporting the great work of the Workers' Party of Korea and the Korean people for socialism and national reunification, he declared.

Guinean Government Delegation Visits

Arrives 16 Sep

SK1609220395 Pyongyang KCNA in English 1534 GMT 16 Sep 95

[FBIS Transcribed Text] Pyongyang, September 16 (KCNA) — A government delegation of Guinea led by Yvone Conte, minister of women and children, arrived here today by air.

The DPRK Government gave a reception for the delegation in the evening.

Visits Kumsusan Palace

SK1809044295 Pyongyang KCNA in English 0430 GMT 18 Sep 95

[FBIS Transcribed Text] Pyongyang, September 18 (KCNA) — The members of the Guinean Government delegation led by Yvone Conte, minister of women and children, on Sunday visited Kumsusan Memorial Palace in which the great leader President Kim Il-song is preserved in state and made a deep bow to him.

The head of the delegation wrote in the visitor's book that His Excellency President Kim Il-song was the greatest man, who provided the people with peace and happiness.

His exploits will be immortal and he will live forever, Yvone Conte added.

Earlier, the delegation laid a floral basket and made a bow before the statue of President Kim Il-song on Mansu Hill.

Holds Talks With Government

*SK1809044495 Pyongyang KCNA in English
0432 GMT 18 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 18 (KCNA) — Talks were held between DPRK and Guinean Government delegations here on Sunday.

Present there on the Korean side were Yi Chong-chu, minister of general education, and other officials concerned and, on the opposite side, the members of the delegation led by Yvone Conte, minister of women and children.

At the talks the two sides discussed the matter of further developing the friendly and cooperative relations between the two countries and exchanged views on a series of issues of common concern.

Chuche Idea International Institute Head Visits

Arrives Pyongyang 14 Sep

*SK1509235995 Pyongyang KCNA in English
2203 GMT 15 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 15 (KCNA) — Director General of the International Institute of the Chuche Idea Shuhachi Inoue arrived in Pyongyang on Thursday [14 September].

Visits Kim Il-song Statue

*SK1609070395 Pyongyang KCNA in English
0424 GMT 16 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 16 (KCNA) — The director general of the International Institute of the Chuche Idea (IICI), Shuhachi Inoue, on Thursday laid a floral basket before the statue of the great leader President Kim Il-song on Mansu Hill and made a bow.

Written in the ribbon of the floral basket were letters "The great leader Comrade Kim Il-song will be immortal."

Shuhachi Inoue said that, finding himself before the statue of President Kim Il-song, a great man of the century who founded the immortal chuche idea and provided humankind with a new independent world, he felt an irresistible yearning for the president.

He also said the chuche idea had widely been disseminated on a worldwide scale for its greatness and the bright rays of chuche were clearly illumining the way of humankind.

Daily Stresses Necessity of 'Three Revolutions'

*SK1909105495 Pyongyang MINJU CHOSON
in Korean 1 Jul 95 p 1*

[Editorial: "Let Us Vigorously Push Ahead With the Three Revolutions"]

[FBIS Translated Text] One of the important tasks facing us in thoroughly implementing the slogans of the Central Committee of the Workers Party of Korea published on the occasion of the 50th anniversary of the party's founding is further deepening the ideological revolution, the technological revolution, and the cultural revolution.

The party Central Committee's slogans expound the militant task of vigorously carrying out the three revolutions — ideological, technological, and cultural — in conformity with the demands of modeling the whole society after the chuche idea. This task comprises the firm will of our party and people to make our country rich and to expedite the socialist cause of chuche by vigorously carrying out the three revolutions and by thus effecting a new upsurge in socialist construction.

The great leader Comrade Kim Il-song taught: "The three revolutions — ideological, technological, and cultural — are the highest stage of the revolution to completely realize the popular masses' independence by completing socialist, communist construction."

The three revolutions are an important work to liquidate the legacies left by old society in all fields of ideology, technology, and culture; to create new communist ideology, technology, and culture; and to completely realize the working masses' independence.

Constantly deepening and developing the three revolutions is a consistent policy our party has adhered to in socialist construction.

Since its early days of building a new society, our party, defining the three revolutions as the primary way to build socialism and communism, has outstandingly carried out broad tasks arising in socialist construction by embodying the primary way.

Today's proud victory of having made rapid progress in the revolution and construction and of having achieved epochal progress in all fields — political, economic, and cutural — is precisely the brilliant fruition of our party's three revolutions policy.

The key to achieving a brilliant victory in today's grand advance movment to effect great turns in all fronts of socialist construction by upholding the party Central Committee's slogans lies in vigorously pushing ahead with the three revolutions, the general line of socialist construction.

Vigorously accelerating the three revolutions is the firm guarantee for brilliantly consummating the socialist, communist cause by accelerating the work of modeling the whole society after the chuche idea.

Modeling the whole society after the chuche idea is the continuation of the chuche revolutionary cause pioneered in Paektu forests and is a historic march of a new high stage for its final consummation. The important way of advancing our revolution along the single road of chuche forever under all circumstances by vigorously acclerating this majestic march, of achieving the nation's eternal grandeur and prosperity, and of victoriously pioneering a bright future for the nation lies precisely in successfully carrying out the three revolutions.

When we foster all members of society to become genuine communist human beings of a chuche type under the banner of the three revolutions and reform the whole society in conformity with the demands of the chuche idea, the chuche revolutionary cause can be brilliantly consummated and the communist society, a paradise of mankind, will be unfolded as a reality.

Vigorously accelerating the three revolutions is an indispensable demand for the enrichment and development of our country, our fatherland.

Our country, our fatherland, which was regained by the respected and beloved leader [suryong] and which is being glorified by the great leader Comrade Kim Chong-il, is the eternal site for our people's living, as well as the cradle of our people's happiness.

Making our country, our fatherland, richer is a sacred work to further glorify the socialist fatherland of chuche as a paradise of the people where the popular masses' independent and creative living fully flowers.

When this rewarding struggle is consistently pushed ahead, the great leader Comrade Kim Chong-il's far-sighted plans and lofty intention will be turned into a reality, and, consequently, our country will be more prosperous as the socialist fatherland of chuche, shining with the revered names of the great leader [suryong] and the great leader [yongdoja].

Because the three revolutions — ideological, technological, and cultural — have been vigorously pushed forward under the party's wise leadership, our people's ideological and cultural standard has today reached a very high stage, and great success has been attained in the work to build the material and technological base of socialism. Our people are now even more vigorously carrying on the ideological, technological, and cultural revolutions with great hope and firm faith in the future. As all the people vigorously advance under the banner of the three revolutions under the party's leadership, today's rewarding march is assured of greater victory and the victorious advance of the socialist cause.

With boundless loyalty to the party and leader, all the functionaries and working people should devote all their wisdom and passion to the practice struggle for implementation of the party's three-revolutions line.

Above all, all the functionaries and working people should give priority to the ideological revolution and prepare themselves to be true chuche-type communist revolutionaries.

The revolution is advanced by the strength of the ideologically armed people. Therefore, to attain victory in the socialist cause, we should give priority to the ideological revolution and prepare people to be true revolutionaries. Giving priority to ideological work, we should thoroughly arm the popular masses with socialist ideology and build firm revolutionary ranks so we can solidify and develop socialism and defend socialism firmly no matter what fierce winds may blow.

All the functionaries and working people should arm themselves firmly with our party's revolutionary ideology, the chuche idea, make it their revolutionary outlook on the world, and think and act according to the great leader's revolutionary ideology and intent at any time and at any place.

Having absolute reverence for the great leader Comrade Kim Chong- il is the basic feature of the chuche-type communist revolutionaries whose essential requisite is the loyalty to the leader, and it is an important task in carrying out the ideological revolution today.

With a firm position and outlook that the great leader Comrade Kim Chong-il is today's respected and beloved Comrade Kim Il-song, we should comprehensively and deeply study and master the greatness of the party's ideology and leadership. With absolute reverence for him, we should totally entrust our destiny to the respected and beloved supreme commander Comrade Kim Chong-il and remain loyal to him to the end on the road of the revolution led by the party. We should also arm ourselves firmly with our party's revolutionary tradition, defend it as we do with the pupils of our eyes, cherish deeply high class-consciousness, warm love for the fatherland, and noble morality, and wage a vigorous struggle to make our country, our fatherland richer, stronger, and prosperous and for the completion of the revolutionary cause.

To push forward the technological revolution vigorously is an important work for firmly building the material and technological base of socialism and communism, for relieving working people of difficult labor, and for ensuring materially that they lead independent and creative lives.

It is important at present in carrying out the technological revolution to make sure that the party's revolutionary economic strategy is thoroughly implemented. The party's revolutionary economic strategy is the most correct economic strategy for effecting a new upturn in socialist economic construction in a short period of time, and the technological revolution is an important requisite to carrying it out successfully. All the functionaries and working people should vigorously accelerate the technological revolution to thoroughly implement the party's agriculture-first policy, light industry-first policy, and trade-first policy and to make the existing economic base fully display its might with firm emphasis on the priority sectors of the people's economy.

Important in carrying out the technological revolution is the role of the guiding functionaries of the state economic organizations and scientists and technicians.

Guiding functionaries of state economic organizations should actively inspire the masses' revolutionary zeal by giving priority to political work. By organizing the economic organizational work and the production management, they should go down among the masses, eat meals with them, and, with their practical example, become the Kim Chaek-type loyalist who is the banner of struggle of leading the masses and who devotes his all to achieving the leader's [yongdoja] plans and intent, who absolutely trusts in the leader [yongdoja], and who firmly remains true to his post under any circumstances.

Scientists and technicians should make the national economy become self-reliant, modernized, and scientific. Also, they should concentrate efforts on solving all scientific and technological problems in implementing the party's revolutionary economic strategy.

Vigorously carrying out the cultural revolution is a guarantee for removing the old cultural backwardness of society, as well as for creating socialist, communist culture.

We should more vigorously carry out the cultural revolution. As a result, we should make all social members become highly developed communist men and achieve new advances in satisfying their cultural demands. Along with this, we should continue to develop and improve all areas of the socialist national culture, including education, literature and the arts, public health, and sports.

We should enhance the role of the people's government to vigorously carry out the three revolutions.

The people's government is an executor of the three-revolution line. The success of the three revolutions is importantly related to the role of organizations of the people's government.

Functionaries of the government organizations should focus all their activities on successfully implementing the three revolutions — ideological, technological, and cultural. Workers who rise in implementing the three revolutions should properly carry out the administrative and organizational work, as well as the material and technological guarantee work, in complying with their increased zeal so that it can be achieved with material success. Functionaries at various government organizations should always — with a high sense of revolution and responsibility — go down among the masses and educate them. In particular, they should properly manage counties and make all efforts to solve the people's problems.

The task presently assigned to us to accelerate the socialist economic construction, as well as complete the chuche socialist cause, is an enormous one.

In the past we victoriously embarked on the ardent road of revolution by upholding the banner of the three revolutions under the wise leadership of the respected and beloved leader Comrade Kim Chong-il. Like this, we should firmly unite around the great leader [yongdoja] Comrade Kim Chong-il and constantly carry forward the banner of the revolution. As a result, we should effect a great upsurge in socialist construction and endlessly consummate the socialist, communist cause.

All functionaries and workers should vigorously carry out the three revolutions. As a result, they should greet the 50th anniversary of the founding of the party with a high sense of political zeal and brilliant and laborious success, making my country, my fatherland, become prosperous and strong.

Article Highlights Basis for 'Our Socialism'

SK1909041495 Pyongyang NODONG SINMUN in Korean 14 Aug 95 p 3

[By Yi Chin-su: "The Popular Masses' Absolute Support and Trust Are the Sources of Socialism's Invincibility"]

[FBIS Translated Text] Our country's socialism is a most solid and superior society which is based on the popular masses' absolute support and trust.

The great leader [yongdoja] Comrade Kim Chong-il has indicated: "The truthfulness and superiority of socialism find expression in the popular masses' support for and trust in socialism. Our socialism is based on the chuche-oriented viewpoint and position toward the popular masses and is, therefore, a most superior and mighty socialism enjoying the popular masses' absolute support and trust."

The vitality and might of socialism lie in blood ties with the popular masses, and they depend on how much support and trust socialism can get from the popular masses.

When the popular masses absolutely supports and trusts socialism that they have chosen and won, socialism can constantly strengthen and develop with an eternal vitality and thoroughly smash any challenge by the imperialists.

The popular masses are the main force of history. They are also mighty forces pushing ahead with socialism. It is the popular masses who demand socialism. It is also the popular masses who build socialism. Socialism without the support and trust of the popular masses is like a house of cards built on sand which is about to collapse, and which has lost its mighty driving force and its strong social and political foundation. This can be proven by the historical lesson seen in countries where socialism has been frustrated.

The major cause for the frustration of socialism and the return to capitalism in these countries is because socialism failed to win the absolute support and trust of the popular masses.

In countries where socialism was frustrated, the party, after taking political power and establishing a socialist system, failed not only in developing socialist ideology and theory in conformity with such new circumstances, but also failed in properly carrying out the work of rallying the popular masses around the party.

In particular, the parties and governments of these countries failed to eliminate political authority, bureaucratism, and irregularities and corruption. Consequently, they failed to win the support and trust from the popular masses and to take root among them. This finally led to the collapse of socialism in these countries.

The popular masses' absolute support and trust are the primary source of socialism's invincibility because the masters of socialist society are precisely the popular masses.

Socialism is a society where the popular masses become the masters. Accordingly, socialism is a society which is developed by the popular masses' creative power. The essence of socialist society and its very driving force lie in the struggle that is firmly united with the popular masses' comradely love and high awareness and ability of being masters.

Because the popular masses are the masters of the socialist society, without their support and trust, the raison d'etre of socialist society and its durable development cannot be expected. The popular masses' support for and trust in socialism are an absolute belief based on the firm conviction of the correctness of the socialist cause and the superiority of socialism. This is manifested as the popular masses' extraordinary determination and zeal to perform responsibility and role with the high awareness of being the masters of the socialist society. It is also expressed as the popular masses' lofty ideological will to consolidate and develop socialism, devoting their all and regarding socialism as their own lives and living.

Absolute support for and trust in socialism are highly manifested only when the popular masses adhere to and exercise their position and rights as the masters of state and society, perform responsibility and role as the masters, and enjoy to their hearts' contents the valuable and happy life of masters.

Our socialism is the popular masses-centered socialism in which, on the basis of chuche-oriented viewpoint and position toward the popular masses, the popular masses are identified as the genuine masters of society and in which everything serves the popular masses.

Socialism of our own style most thoroughly embodies the popular masses' independent demands and aspirations and fully guarantees all conditions so that the popular masses can exercise their position and rights as the masters in all fields, including the political, economic, and cultural fields, and enjoy a most valuable and happy life to their hearts' content.

All lines and policies have been established under our own style of socialism to thoroughly reflect the popular masses' demands and interests, and have been implemented by the strength of the popular masses. Thus, under our own style of socialism, the position and rights of the popular masses as the masters of all things are ensured at a highest plane. At the same time, the country's and the nation's independence is firmly realized and, consequently, the popular masses' independent position and rights are firmly guaranteed.

Our country, by giving priority to ideological remolding work, that is, political work, has seen to it that the popular masses actively display their revolutionary zeal and creative positiveness in socialist construction with the high awareness of being the masters of the country.

Thus, our country has constantly inspired the popular masses' creative strength.

Along with this, our country has provided our popular masses with a sound and stable material living so that they can enjoy a dignified life amid social collectives' love and trust while glorifying their social and political life.

Such socialism in which the popular masses are the masters, only exists in the world, in our country. Our people link their destinies to socialism, and they treasure socialism infinitely.

Through their practical life, our people have deeply mastered the superiority of socialism of our own style. They actively support and trust socialism of our own style. Devoting their all, they are struggling to defend socialism, which comprise their lives and living, to the end.

The popular masses' absolute support and trust have become the source of invincibility of socialism also because their absolute support and trust has become a firm guarantee to more firmly deepen the main force of the revolution, the main force of socialism, by strengthening the singlehearted unity of the leader [suryong], the party, and the masses.

The main force of socialism is the driving force for socialism's victory. The strong weapon in defending and adding luster to socialism by smashing all challenges by the imperialists and reactionaries is precisely the main force of socialism firmly united as one mind.

The popular masses' absolute support for and trust in socialism are, in essence, the absolute confidence and trust in the leader [suryong] of the working class, who leads socialism, and the party. The popular masses' absolute support for and trust in socialism are also a decisive factor in extraordinarily strengthening the main force of socialism.

The cause of socialism is in essence the leader's [suryong] cause and the party's cause. To strengthen the main force of socialism, the popular masses should firmly rally around the party and the leader [suryong], and this can become firm only when the the popular masses possess trust and confidence in the party and the leader [suryong].

When the popular masses absolutely trust the party and the leader [suryong], their singlehearted unity can form a solid revolutionary unity firmly rallied around the party ideologically, volitionally, and morally with the leader [suryong] as the only center.

The solidity and invincibility of singlehearted unity lie in the unity of ideological will and moral obligation based on one center and one ideology.

Our singlehearted unity today is an invincible unity firmly rallied around the great leader [yongdoja] Comrade Kim Chong-il. Our people absolutely advocate the great leader's [suryong) revolutionary ideology and have firmly rallied around the party and the great leader [suryong] organizationally and ideologically. They are infinitely revering and following the great leader Comrade Kim Chong-il as the benefactor of their lives and as their father. They are also firmly united morally. Such unity is the source of the solidity and invincibility of socialism of our own style.

No matter how frantically the imperialists and reactionaries may try to obliterate socialism of our own style, socialism of our own style is firm and invariable because we have singlehearted unity. Socialism of our own style which is based on the singlehearted unity of the leader [suryong], the party, and the masses will constantly advance toward victory.

The popular masses' absolute support and trust are the source of invincibility of socialism also because the popular masses' support and trust are the sincerest and most solid ideological feeling that manifests itself on the basis if socialist politics, that is, politics of benevolence.

Socialism is based on winning the popular masses' support and enjoys eternal vitality only when it enforces politics in accordance with its inherit nature.

In socialist society, comradely unity, cooperation, love, and trust constitute the basis of social relationship. Therefore, love and trust should become the essence of politics, and benevolence politics should become the way of politics. In nature, socialism maintains sincere, comradely relationship of love and trust unlike a capitalist society where exploitation and oppression are rampant and where human being's personality and value are assessed by money and wealth. Such relationship of love and trust is firmly guaranteed only when benevolence politics is enforced.

The benevolence politics, created by the great leader [suryong], is being inherited and developed by the great leader Comrade Kim Chong-il today, and is firmly grasping the hearts of all members of our society.

Our party's benevolence politics is the politics of love and trust toward the people, that is, all-embracing politics. Our party's benevolence politics is not only a most people-oriented politics which accords with the independent nature of human beings, but it is also a benevolence politics which provides the people with love and trust. Such a benevolence politics not only leads our people to cherish in their hearts the boundless love and attachment toward the socialist fatherland of chuche where the Kim Il-song nation lives, but also becomes the inexhaustible source of making the leader [suryong], the party, and the masses a united body with one ideology, one aspiration, one destiny, and one future.

In particular, our party's benevolence politics leads the popular masses to have absolute confidence and trust and infinite loyalty and filial piety toward the party and the leader [suryong]. It also leads all members of society to form a great, happy family and to enjoy a genuine, happy life, loving, and helping each other.

Under such a benevolence politics our people follow the great leader Comrade Kim Chong-il as heaven and absolutely trust him. Because of this, our people's love and trust toward socialism of our own style have become a most sincere and solid ideological feeling.

All the people absolutely trust the party and the leader [suryong], are firmly united around the great leader [yongdoja] Comrade Kim Chong-il, and are struggling and living with firm faith and optimism. Herein lies the source of the solidness and invincibility of our country's socialism and a firm guarantee for consummating the revolutionary cause of chuche to the end.

Editorial Urges Stronger Party Organizations

952C0164A Pyongyang NODONG SINMUN in Korean 29 May 95 p 1

[Editorial: "Let Us Further Enhance the Role of Party Organizations in the Struggle To Carry Out the Party Central Committee's Slogans"]

[FBIS Translated Text] The revolutionary fervor of all party members and working people, who have vigorously launched into their struggles holding aloft the slogans of the party Central Committee marking the 50th anniversary of the founding of the party, is extraordinarily high now. Party organizations should further strengthen their organizational political work in keeping with this surge in the masses' revolutionary fervor and fighting spirit.

In today's general march to mark the party's 50th birthday with a grand festival of victors, party organizations at all levels should demonstrate the invincible might of the party by enhancing their militant functions and role in every way.

The great leader [yongdoja] Comrade Kim Chong-il pointed out:

"Party organizations must press ahead vigorously with political organizational work to spur on all party members and the working people to a heroic struggle."

The outcome of the general march today for a new upsurge in socialist construction depends on how party organizations play their role.

Party organizations comprise the political staff to keep a firm grip on all work at their respective units and lead it in a unified fashion. Only when party organizations at all levels fulfill their functions and roles satisfactorily as the political staff of their respective units, can they thoroughly implement lines and policies of the party, spurring on the masses positively to performing miracles and generating innovations in socialist construction.

With a firm grip on the overall work of their respective branches, they should press ahead vigorously, strengthening party leadership for administrative economic work.

Today the struggle to carry through the slogans of the party Central Committee demands more than ever the enhancement of the role of party organizations.

The party Central Committee's slogans include the following:

"Let us strengthen party committees of all levels and enhance the militant functions and role of party organizations!"

The forceful march upholding the slogans of the party Central Committee today is a proud, great-march movement to make our country, our fatherland, richer and stronger and add luster to the era of the Workers Party, which is at its zenith of prosperity. This movement can win a brilliant victory when the whole party, all the people, and the entire Army launch into it with an extraordinary resolution. Only by enhancing the role of party organizations, the driving force of the movement, will it be possible to bring party members and the working people to give full play to their revolutionary fervor and positiveness, and to mark the 50th anniversary of the founding of the party with a grand festival of victors.

The party is the heart of society. Only when party organizations move aspiringly and push ahead with their work aggressively will the masses seethe and the revolution and construction advance dynamically.

With the intensive socialist construction battle going on, now is the very time for party organizations at all levels to fully display their militant functions and role in practical struggles.

It is our party's unique struggle ethos to accelerate the revolution and construction by enhancing the functions and role of party organizations.

Our party is a party that makes revolution, a party that wages struggle. Whenever confronted with a difficult and gigantic task, our party could execute the revolution and construction even more successfully by the method of enhancing the role of party organizations and activating the masses. In recent years, we have been able to thwart imperialists' challenges and bring about miracles and innovations in socialist construction by relying on the might of the party; so, if we go on enhancing the militant functions and role of party organizations in every way, we surely can win another brilliant victory in the general march today to add luster to the 50th party anniversary with a grand festival of victors.

Party organizations should, first of all, launch ideological indoctrination work aggressively to spur on party members and the working people to struggles to carry through the slogans of the party Central Committee.

The party is a political organization; ideological work is an important task of party organizations. Whenever confronted with a difficult and complex task, party organizations should work out all problems by, first of all, focusing on the ideological aspect of party members and the working people, and on activating their fervor.

People's ideology decides everything. Party organizations, with a firm grip on the ideological theory of chuche, should further strengthen their ideological work in a way consistent with today's demands of the developing realities.

In the ideological work to spur all party members and the working people on to the struggle to carry through the party Central Committee's slogans, the key point is to bring home to them the greatness of the party and the leader [suryong] and thus instill them with the faith that they are bound to win as long as they have with them the precious revolutionary legacy left by the leader [suryongnim] and the tested leadership of the respected and beloved Comrade Kim Chong-il.

Party organizations at all levels should bring home to party members and the working people the greatness of the great leader and the respected and beloved Comrade Kim Chong-il, seeing to it that they fight on staunchly, keeping engraved in their hearts the faithfulness to the party and the leader as their revolutionary faith and moral duty. At the same time, by thoroughly ensuring truthfulness, a scientific approach, and kindness in ideological work, they should instill in the hearts of the masses the party's ideology and intent and further strengthen our party and revolutionary ranks as a complete whole, a fate-sharing body, which is one in ideology and aspiration, destiny and future.

Party organizations should also carefully plan and coordinate their organizational work to carry through the party Central Committee's slogans at their respective units.

The party exercises its leadership for revolution and construction through the organizational work of party organizations. All party organizations will push ahead with work to carry through the party Central Committee's slogans in a revolutionary fashion, always with a firm grip on organizational work as their foremost duty and from the position that they are accountable for everything.

Party organizations should establish correct executive measures to carry through the party Central Committee's slogans and work out specific assignments, regularly reviewing progress made in implementing assignments and making any necessary re-deployments efficiently.

The entire course of organizational guidance work should be run through with strong demands that every person's work is consistent with the party's intent. Party organizations will effectively lead all party members and the working people to always use their brains and exert themselves to accomplish the assigned revolutionary task, and to acquit themselves fully of their responsibility and role.

In particular, party organizations should thoroughly remove any irresponsible, unbecoming attitude of masters, formalism, expedientialism, and particularism from party members and the working people, and bring them to unconditionally and thoroughly accomplish the tasks indicated in the party Central Committee's slogans. At the same time, they should lead them to give full play to the revolutionary spirit of self-reliance and fortitude, and to highly display the revolutionary struggle ethos by seeking out more of what is in short supply, manufacturing what is nonexistent, and by overcoming all barriers on their own.

Also, with respect to their party-life guidance for members, party organizations should conduct it in close combination with the struggle to carry through the party Central Committee's slogans.

It is a basic duty of party organizations at all levels, and an important key to resolving all problems successfully, to efficiently organize and guide the party life of party members. The party life of party members is, essentially, a process in the struggle for the thorough implementation of party lines and policies, decisions and directives. For cadres and party members, there is no such thing as a pure party life unrelated to the process of accomplishing revolutionary tasks. It is one of the important principles of party-life guidance to conduct it in close combination with that process.

All party organizations should closely plan and coordinate the organization and guidance of party life in a way subordinating it to the struggle to thoroughly carry through the party Central Committee's slogans.

The party Central Committee's slogans list specific tasks confronting all branches and units. Party organizations should provide correct guidance and control for members to firmly grasp the militant tasks put forth for their respective branches and units, and lead their party life accordingly. Party organizations will see to it that every link in the party-life guidance — such as party meetings, party-life summations, assignments, and study programs — is closely connected with the carrying through of the slogans. Thus, they must ensure that all party members live every minute of their life adding luster to it with loyalty and feats, in keeping with the pledge they made to the party flag at their initiation.

It is important for party organizations at all levels to correctly guide party cells to enhance their role. Party cells are the basic infrastructural organizations of our party. Only when party cells are healthy and perform their functions and role satisfactorily is it possible for the party to go strong and push the revolution and construction vigorously. Party organizations should help and correctly guide party cells so that they can superbly perform their functions and role in carrying through the party Central Committee's slogans.

Party organizations should also further strengthen their party guidance for administrative economic work.

Party guidance for administrative economic work is political guidance, policy guidance.

Party organizations should strengthen political and policy guidance, ensuring that innovations take place unceasingly in the struggle to carry through the party Central Committee's slogans at their respective units.

Especially, party organizations should lead administrative economic functionaries well so that they become faithful revolutionary fighters who do not forget for even a moment the pledge they had made to the soul of the fatherly leader from the bottom of their hearts, shedding tears of blood, and fulfill it at all costs, and who support the party not with word but real work result.

Party organizations should see to it that administrative economic functionaries become the standard-bearers of struggle who, with high political outlook, extraordinary idea, and ingenuity, can organize and stage all work with promptness consistent with the intent of the party, and who go deep among the masses and lead them with practical examples in accordance with demands of the Chongsan-ni spirit and the Chongsan-ni method.

Party organizations will enhance their militant functions and role in every way in consistency with demands of the developing realities and, by doing so, generate new miracles and innovations in every branch and unit of socialist construction and mark the 50th anniversary of the founding of the party with high political fervor and brilliant labor results.

Socialist Life Called 'Incomparably Superior'

952C0164B Pyongyang NODONG SINMUN in Korean 19 May 95 p 2

[Article by Chu Il-ung: "Socialist Life Is a True Life That Suits the Inherent Demands of Man as a Social Being"]

[FBIS Translated Text] The party Central Committee, in its slogans marking the 50th anniversary of the founding of the party, calls on us to defend, with our lives, our socialism that has been gained with blood and built up with creative labor.

The important thing in living and struggling as demanded by the militant slogans is for all party members and the working people to realize the essential superiority of socialist life, even more deeply through their own experience.

A socialist life is a true life that suits the inherent demands of man as a social being.

The great leader Comrade Kim Il-song taught:

"A socialist life is an independent and creative life for the masses of people to enjoy as masters of the state and society. It is a collectivist life in which they help and lead one another, sharing their joys and sorrows with one another."

It is the desire of every one to have a happy life, a life worth living. Man as a social being demands freedom from all types of enslavement and constraint, and demands to live and develop independently and creatively. Wherever people are, they inevitably have their life. However, this does not necessarily mean that they can have in any society a true life that satisfyies their inherent demands.

A socialist life is an independent and creative life for the masses of people to enjoy as masters of the state and society. It is a collectivist life in which they help and lead one another, sharing their joys and sorrows with one another. Therein lies the essential characteristics of socialist life.

A socialist life is, above all, an independent and creative life for the masses of people to enjoy as masters of the state and society.

The prerequisite for the masses of people to enjoy an independent and creative life is that they become masters of the state and society. The state ruling power and means of production are the basic factors defining the status and role of people in society. Only by taking over the ruling power and taking the means of production into their hands can the masses of people be the masters of everything in society and lead all their social lives in a way that suits their will and demands.

In a capitalist society, the masses of people are subjected to an inhumane life, with their basic democratic freedoms and even their right to a living trampled underfoot. This is because the capitalist classes monopolize the state ruling power and means of production. Bourgeois politics is designed outright to serve the interests of the capitalist classes. They see the masses of people simply as a means of material production, a work force bought and sold as a commodity, and nothing else. Consequently, working people cannot even voice their basic demands nor enjoy their material and intellectual products, no matter how much they might produce. If a capitalist society, in which a handful monopolize the ruling power and means of production, is left as is, the working people who represent an absolute majority can never have a life worthy of human beings.

A socialist society, unlike the rotten and sick capitalist society, is the people's society in which the masses of people are masters of the state and society. In a socialist society, the demands and will of the masses of people are precisely reflected in the party and state's policies, which in turn are implemented by relying on the resources the masses have in themselves. In a capitalist society, the life of people goes on spontaneously in form of activity of individuals trying to secure a living for themselves, whereas in socialist society the party and state bear responsibility for, and look after, the life of all members of society. In a socialist society, therefore, all people find their demands met satisfactorily in every realm of social life, including political life, economic life, and ideological life. All of the society's assets are entirely funnelled into promoting the people's well-being. A socialist life — in which all people live as the equal masters of the state and society, and to which they devote all their creative wisdom and passion with high self-awareness and pride — is a true life incomparably superior to capitalist life.

A socialist life is also a collectivist life in which all people help and lead one another, sharing their fate, joys, and sorrows with one another.

Collectivism is an inherent demand of man. People live by forming their collectives. People can they remake nature, reform society, and realize their independent demands only through collective cooperation among members of society, not individually. If people are to live and develop in accordance with their inherent demands, they must have the independent demands of the collective and those of individuals satisfied. Collectivism can strengthen the solidarity and cooperation of the collective, enhance the creative fervor of all members of the collective, and correctly combine the independent demands of the collective and those of individuals, satisfying them simultaneously and smoothly.

A capitalist society is based on individualism, whereas a socialist society is based on collectivism and is the most advanced society. Collectivism is the life of a socialist society. That is why, in a socialist society, the social life in each realm stands on the principle of collectivism.

In a capitalist society based on individualism, relationships among people are characterized by distrust and confrontation, antagonism and jealousy; however, in a socialist society, comradely cooperation and solidarity constitute the base of social relationships. It is precisely the true features of socialist life that all in it, now converted to be socialist working people together, find themselves a life worth living and happiness in devoting their creative wisdom and passion to struggling for society and the collective, helping and leading one another. It is a true life that is absolutely inconceivable in a capitalist society ruled by the law of the jungle.

It is by no means an accident that in various countries where socialism has collapsed and capitalism has returned, people are missing the old days of socialism and deeply regretting the fact that they abandoned socialism. For the collapse of socialism, they have received not "humanitarian socialism" but capitalism dominated by exploitation, oppression, and social inequality. They are plagued by crimes and social evils. In those countries, people are in constant fear, as the sort of horrible crimes that were absolutely unthinkable in their former socialist society occur in succession, and as immoralities and corruptions go rampant. Gone in those countries are the socialist life and socialism in which all the people form a single sociopolitical life to add luster to their political life in a large harmonious family, and enjoy an independent and creative life to their hearts' content. The miserable life currently imposed on them brings home to us the truth that the life embodying socialist collectivism is precisely the true life for human beings, that it is the destiny of socialism and the destiny of the people.

Today, in a society based on our way of socialism, our people enjoy a life that is truly worthy and happy and meets the inherent demands of man as a social being.

Our socialism is socialism with a primary emphasis on man, with the masses of people in its center; it is based on the most correct, chuche-oriented viewpoint and position toward man. In our country, the masses of people are masters of everything and everything serves them, with socialism developing infinitely by their united strength. Thus, our people are firmly guaranteed all conditions for enjoying an independent and creative life in the political, economic, cultural, and all other realms of social life.

The superiority of the socialist life enjoyed by our people finds concentrated expression in the political realm. All our people freely participate in the national administration and sociopolitical activities as the true masters of government. Enrolled in specific political organizations, they have their political organizational life to live. Our people live as components of the sociopolitical collective to infinitely add luster to their precious political life. Indeed, their political life is the most valuable life for man as a social being, whose independent stand and attitude is its life. It is the most precious and worthiest life, incomparable with anything else.

In our country, socialist ownership holds exclusive control over the means of production. Based on this, the masses of people live an independent and creative life as true masters of the economic life. Our working people are guaranteed job security by the state, according to their abilities and resourcefulness. They know of no such thing as unemployment. Our socialism, under which the party and state take responsibility for, and look after, the people's livelihood, indeed represents a social system truly for the people.

All our people are firmly armed with the great chuche ideology, which most correctly reflects the independent aspirations and demands of the masses of people. They breathe, think, and act only by what it demands. Our people, under the free educational system, enjoy the complete right to learning, with lifetime education turning them into new-type people who have been developed in a multifaceted way. Thanks to popular measures taken by the party and state, they enjoy a happy life blessed with health and longevity. As the whole society is filled to overflowing with noble, revolutionary comradely love and moral ethos, countless cases of lofty communist deeds are being reported; every one is living full of hopes, with pride in their life and confidence in their future.

Our people, through their personal experience, feel with all their hearts that our socialism is the true socialism that brings the people a worthy and happy life, a life that meets man's inherent demands as a social being, that blooms in the finest possible fashion for all our people.

It is the rock-firm faith and inflexible will that has taken firm root deep in the hearts of our people that, but for our way of socialism centering on the masses of people, there could be neither their life nor their future, and that they will cast their lot with socialism to the end.

All party members and the working people should rally closely around the great leader [yongdoja] Comrade Kim Chong-il in one and the same mind and press on even more forcefully with the struggle to make our socialist fatherland, which is both our life and our living, richer and stronger.

Unity of Party Leadership, Mass Line Important

952C0164C Pyongyang NODONG SINMUN in Korean 14 May 95 p 2

[Article by Kim Kap-son: "Unity of Party Leadership and the Revolutionary Mass Line Is the Basic Principle of Our Party Activity"]

[FBIS Translated Text] The party Central Committee slogans marking the 50th anniversary of the founding of the party give concrete expression to our party policy of correctly maintaining unity between party leadership and the revolutionary mass line.

Our party always holds it up as the basic principle of its activity to maintain unity between party leadership and the revolutionary mass line.

The great leader Comrade Kim Il-song taught:

"Promoting unity between party leadership and the revolutionary mass line as the basic principle of party activity, we have conducted party leadership in a way consistent with demands and the will of the masses of people, endeavoring in every way to have the masses of people uphold party leadership wholeheartedly."

The great leader [yongdoja] Comrade Kim Chong-il, in his classic work "Socialism Is Science," defined benevolent government as the essence of politics in a socialist society, elucidating that the socialist ruling party must become a motherly party if it is to rule by love and trust.

As the mother gives her children all her love and warmest care, the party must become the true leader and protector of the people, holding itself accountable for the destiny of the masses of people and providing them with meticulous care. This is the intent of the respected and beloved Comrade Kim Chong-il. In thoroughly embodying benevolent government in a way consistent with its mission and duty, it is important for the party to correctly combine its leadership and the revolutionary mass line.

The working-class party is the political organization which is at the helm, leading the struggle to realize the independent stand and attitude of the masses of working people.

To struggle for the independent stand and attitude of the masses of working people is to work to carry through revolutionary struggles and construction programs in a way consistent with the aspirations and demands of the masses of people for self-dependence. Therefore, the working-class party at the helm of this great cause must ensure that its leadership of the revolution and construction is permeated with the struggle to fulfill the demands and will of the masses of people. To that end, it has to keep party leadership and the revolutionary mass line closely connected.

To keep party leadership and the revolutionary mass line interconnected, after all, boils down to embodying the politics of love and trust and having the masses of people wholeheartedly uphold party leadership.

Party leadership and the revolutionary mass line are the two aspects of party activity that are closely related to each other.

To firmly ensure party leadership is to enhance the party's position and role as the leader of the revolution and construction and thus to strengthen its political leadership for the whole society. By the same token, to carry through the revolutionary mass line is to enhance the position and role of the masses of people as masters in the revolution and construction and thus to consolidate the mass base of the party and carry forward the revolution and construction successfully. Without party leadership, the masses of people cannot display their strength as masters in the revolution and construction; without relying on the masses of people, the party cannot carry out its leadership for the revolution and construction.

Inasmuch as party leadership and the revolutionary mass line are closely interrelated, the working-class party must keep its focus on and correctly embody the two on an equal basis in the entire course of its activity. If it should emphasize one and belittle the other, it could not carry out its leadership for the revolution and construction correctly and, further, it would invite grave consequences in the revolutionary struggle and construction work.

The great leader [yongdoja] Comrade Kim Chong-il not only elucidated fundamental issues in the embodyment of a benevolent government in his classic work "Socialism Is Science," but he is also sagaciously leading our party to embody it thoroughly.

"We serve the people!" This is a revolutionary slogan the great leader [yongdoja] Comrade Kim Chong-il put forward to ensure that party leadership is carried out in combination with the revolutionary mass line. The respected and beloved Comrade Kim Chong-il has always directed profound concern to leading our party to hold steadfast to this slogan in all its activities. He has led the party energetically in that respect. Thus, in the revolution and construction, our party is fulfilling its honorable mission in a splendid manner.

In party activity, the important thing in keeping unity between party leadership and the revolutionary mass is, above all, to thoroughly protect the people's interests at all times through the entire course of establishing and implementing party lines and policies, subordinating everything else to that requirement.

Most important in party activity is to establish policies correctly. The demand of the masses of people for self-dependence is the yardstick to determine whether lines and policies are correct or wrong.

The only way to avoid subjectivism and be free of twists and turns in the revolution and construction is to thoroughly meet the requirements of the revolutionary mass line. Our party, always holding the masses of people at the forefront as its teachers, places itself among the masses, listens to what they say, and reflects their demands and interests in its lines and policies. All the lines and policies established and implemented by our party, including the revolutionary economic strategies, reflect our people's aspirations and demands. Therefore, our party can always show the most correct guidelines to the masses, and they would inevitably be received with absolute support.

The party should not only correctly establish its lines and policies but also implement them thoroughly by mobilizing the masses of people.

However correctly the party might establish lines and policies, they cannot be implemented successfully if the masses of people fail to respond positively or to voluntarily launch a struggle to carry them out.

In implementing its policies, our party always gives priority to political work to bring the masses of people to fully display their revolutionary fervor and creative positiveness. It is the firm position of the great leader [yongdoja] Comrade Kim Chong-il that there is no magic way to carry out the revolution and construction other than enhancing the role of the masses of people. Fully embodied in that position is the demand of the revolutionary mass line for trusting the masses of people and setting their creative strength in motion. Our party's moves to keep party leadership and the revolutionary mass line closely interconnected is the source of inexhaustible strength generating new miracles and innovations in the revolution and construction and advancing socialism on the straight road to victory without the slightest bias.

Also important in our party's activity to keep unity between party leadership and the revolutionary mass line is leading guiding functionaries to devote themselves to services for the masses of people with the firm conviction that they are faithful servants of the people.

Because all party policies are carried out by cadres, how well party leadership and the revolutionary mass line are interconnected depends largely on cadres. However good the policies adopted by the party may be, they cannot have satisfactory results fi cadres indulge in influence wielding and bureaucratism.

Based on a scientific analysis of their position and role in the revolution and construction, our party is constantly stepping up work to indoctrinate cadres into faithful servants of the people. It is the lofty position of the great leader [yongdoja] Comrade Kim Chong-il that cadres should think about the people before they think about themselves, that they should be prepared to put the public's joys and sorrows ahead of theirs. Therefore, our party is indoctrinating cadres in the spirit of infinite love for and faithful service to the people. The fact that our party has lately stressed the need to learn from the experience of functionaries at the Chonchon County Commercial Office and in Maengsan County is also indicative of its intent make all cadres as faithful in serving the people as they [the county functionaries] are.

While strengthening the ideological indoctrination work to make devoted people's servants of cadres, our party detected early on potential dangers of influence wielding, bureaucratism, wrongdoing, and corruption among party functionaries in a position of power and has since waged a steadfast struggle against them. Under this leadership of our party, our functionaries today are faithfully serving the people as their servants, holding aloft the party slogan "We serve the people!" Thus, party leadership and the revolutionary mass line are closely interconnected, and the support and trust of the masses of people for the party is becoming even deeper. Their support for and trust of the party is demonstrated powerfully in the practical struggle in upholding its leadership. All party members and the working people today, holding aloft the slogan "Once the party decides, we will do it!" are thoroughly implementing party lines and policies on the principle of absolutism and unconditionality, accepting them as demands of their lives. By pressing ahead with the continued focus on the basic principle of party activity to keep unity between party leadership and the revolutionary mass line, our party has banded all members of society together solidly around the party. It is the proud features of our country that the leader, the party, and the masses form a complete whole, sharing the same fate forever and advancing dynamically. The party faithfully serves the masses of people, while the latter uphold the party's leadership with loyalty. It is precisely thanks to this great unity that our party could overcome the deep sorrow at the loss of the fatherly leader, exert itself even more, and rise to bring about new upsurges in the revolution and construction.

By continuing to even more thoroughly embody the chuche-based party- building theory, the validity and vitality of which have been proved in practice, we should ceaselessly strengthen our party and further consolidate the kindred ties between the party and the masses as indicated in the party Central Committee slogans marking the 50th anniversary of the founding of the party.

KCNA Outlines Development of Coal Industry

SK1509130495 Pyongyang KCNA in English
1012 GMT 15 Sep 95

[FBIS Transcribed Text] Pyongyang, September 15 (KCNA) — Great efforts have been directed to the building of coal mines to register achievements with the approach of the 50th anniversary of the Workers' Party of Korea.

The Kukdong coal mine in Hwasong County, North Hamgyong Province, Soksong pit No. 1 of the Hakdong coal mine in Kimchaek City and the Wonbuk pit of the Anju area coal complex have already been built and started production.

The state has directed great efforts to coal industry, defining it as one of key sectors of the national economy.

There are large deposits of coal in different parts of Korea.

The Anju area coal complex has a deposit of several billion tons.

For the development of coal industry, the great leader President Kim Il-song took measures many years ago to give priority to geological prospecting, carry on the technical revolution and push ahead with scientific researches.

He also put forward a policy of concentrating investment in coal mines with large deposits and favorable mining conditions, expanding the existing coal mines and developing many new ones, and wisely guided a drive for its implementation.

As a result, the coal output, which was 1,520,000 tons in 1946, the year after the liberation of the country, increased 3.2 times in 1949.

In the 1950s the coal mines destroyed or inundated during the war (June 1950-July 1953) were totally rehabilitated, with the result that more than ten million tons of coal were produced in 1960.

In the '60s many coal mines were expanded. The coal mines with the production capacity of more than one million tons each numbered over ten and 26 large coal mines and many minor ones were developed.

In the '70s the Kumya and several other coal mines were built and a large number of pits began working at coal mines in the western and northern areas of the country.

Coal industry made a new development in the '80s.

Many coal mines with the production capacity of several million tons each made their appearance, the mining equipment was replaced by large, modern and high-speed ones and the transport of coal was diversified so that the material and technical foundations of the coal mines were strengthened considerably.

The system of directing production by remote control was established.

The coal output reached 85 million tons in 1989.

From the beginning of the '90s, the nation's coal industry has advanced towards a higher target.

Production by Local Industry Applauded

SK1609215295 Pyongyang KCNA in English
1523 GMT 16 Sep 95

[FBIS Transcribed Text] Pyongyang, September 16 (KCNA) — Local industry factories have increased the production of consumer goods with the approach of the 50th anniversary of the Workers' Party of Korea.

According to data available at the Ministry of Local Industry, over the past one year nearly 10,000 hectares of material bases have been created and the industrial output value jumped 34 percent above the previous one year.

Korea's local industry, which started its development in August 1945 after the liberation of the country, has made a rapid development under the leadership of the Workers' Party of Korea.

The party and the government, attaching much importance to local industry in the improvement of the people's living standards, took measures to simultaneously develop the centrally-controlled industry and local industry.

The plenary meeting of the Central Committee of the WPK held in June 1958 marked an important occasion in the development of local industry.

Advanced at the plenary meeting was a policy of building local industry factories in all provinces, cities and counties, the factories depending on materials and resources in their areas.

After the plenary meeting, many local industry factories began to be built throughout the country.

In a few months, some 1,000 local industry factories were built in the country.

In 1970 when the fifth congress of the WPK was held, 1,760 local industry factories made their appearance.

There are an average of 20 local industry factories in each city and county.

The factories mainly produce foodstuff, fabrics, daily necessities, etc. with materials in their areas.

The main items produced by them number more than 10,000 and the enlarged items total over 40,000.

Foodstuff, daily necessities, straw goods and many other products are exported to other countries.

Radio Reports Offices Exceed Annual Plans

SK1709005695 Pyongyang Korean Central Broadcasting Network in Korean
2100 GMT 15 Sep 95

[FBIS Translated Text] With a single desire to meaningfully celebrate the 50th anniversary of the party's founding with political enthusiasm and brilliant labor feats, workers in various areas have been brilliantly overfulfilling their annual plans for the people's economy by waging vigorous struggles.

Officials and electricity producers of the Small and Medium-size Power Stations Management Office of North Pyongan Province have waged a vigorous struggle since the beginning of this year. As a result, they fulfilled this year's electricity production plans on 10 August, four months ahead of schedule, by responsibly carrying out water and facility management work and greatly increasing electricity production levels every day.

While highly raising the flames of the no-breakdown, on-schedule operation and extra freight movement of the 18th Plenary Meeting of the Fifth Party Central Committee, officials and transportation warriors of the Sariwon Youth Railway Station set high transportation goals early this year, keenly realized the importance of transportation in implementing the party's revolutionary economic strategy, guaranteed transit hours as planned, [words indistinct], and, thus, thoroughly guaranteed the station's operation. In this way, the station overfulfilled this year's freight transportation plans by 7 percent as of the end of August.

As of 8 September, officials and workers of the Sariwon Auto Parts Plant overfulfilled this year's annual plans, which are 103.8 percent higher than the previous year's plans.

They highly displayed the revolutionary spirit of self-reliance and arduous struggle and overfulfilled plans for the production of auto parts and consumer goods called 3 August people's consumer goods by the indicators with less materials, labor, and electricity. In this way, they lowered production costs by 12 percent compared to last year, significantly reduced electricity consumption per tonne of parts, and increased the amount of production per employee by 10 percent. This plant's workers are continuously waging the vigorous struggle with the pride in the fact that they have overfulfilled their annual plans, which is a meaningful gift on the 50th anniversary of the party's founding.

Media Report Bumper Crops at Cooperative Farms

SK1809131595

[FBIS Editorial Report] The following is a compilation of reports by Pyongyang Korean Central Television Network in Korean and Pyongyang Korean Central Broadcasting Network in Korean on cooperative farms in North Korea reaping good harvests this year.

At 1200 GMT on 10 September, Pyongyang Korean Central Broadcasting Network in Korean carries a three-minute report on "farmers at the Chongsan cooperative farm in Kangso District, Nampo, who are living and working in the glorious land today, significantly marking the 35th anniversary of the fatherly leader's on-the-spot guidance to this farm, amid great emotion and enthusiasm." In an interview, Comrade Chong Hak-yong, first vice chairman of the management committee to this farm, talks about how the farmers are significantly welcoming the 35th anniversary of Kim Il-song's on-the-spot guidance to this farm and how Kim Il-song bestowed great benevolence. Comrade Chong Hak-yong also says that even though 35 years have passed since Kim Il-song gave on-the-spot guidance to this farm, today the farmers have achieved good results in harvesting grain, vegetables, and fruits "amid the special love and benevolence of the fatherly leader and the great leader [yongdoja] Comrade Kim Il-song." He adds that the farmers of the Chongsan cooperative farm are determined to achieve a bumper crop again this year. He concludes by saying: "We will not forget for even a minute the great love and benevolence the fatherly leader gave our farm 35 years ago; we will brilliantly implement the fatherly leader's lifetime teaching; and we will continue to stand in the forefront to loyally uphold the great leader [yongdoja] Comrade Kim Chong-il's leadership with rice, just like the farmers of Chongsan."

At 1100 GMT on 10 September, Pyongyang Korean Central Television Network in Korean carries a three-minute report on "farmers of the Songsin cooperative farm prudently carrying out preparations for fall harvesting, embraced with the pride of having provided good crops, on the second anniversary of the fatherly leader's on-the-spot guidance." Kang Chong-kun, work team leader, and Pak Song-kuk, guiding technician, talk about the significance of Kim Il-song's on-the-spot guidance; their yearning for the fatherly leader; how farmers have carried out farm work well, thus providing good crops; how the farmers are practically carrying out preparations for fall harvesting; and how they will carry out their duty as farmers in accordance with the fatherly leader's lifetime teaching of firmly upholding the party with rice.

At 2100 GMT on 10 September, Pyongyang Korean Central Broadcasting Network in Korean carries a one-minute report on "cooperative farms in South Hwanghae Province accelerating full-scale corn harvesting." The report says: "As of 5 September, this province had obtained good results, harvesting 25 percent of corn as planned." It says that cooperative farms in Haeju accelerated corn harvesting, thus fulfilling by 5 September 57 percent of the target for corn harvesting.

At 1100 GMT on 12 September, Pyongyang Korean Central Television Network in Korean carries an under-one-minute report on "magnificent harvesting that has been unfolded at the glorious land of the Yongsan cooperative farm in Kaepung County, where the fatherly leader's immortal leadership achievements are evident." The report says farmers here who have carried out farming work well every year "have also carried out all farm work this year meticulously and assiduously in accordance with the demand of the chuche farming method." It then carries a two-minute report on "farmers of Changsan cooperative farm in Yongchon County and Chonsan cooperative farm in Anbyon County, separately holding rallies on spots to accelerate preparations for the fall harvesting battle by highly upholding the party's policy that farming is best." The report says that at the rallies reports were made and discussions were held "on providing good crops by carrying out farm work according to the demand of the chuche farming method by upholding the lifetime teachings of the fatherly leader, who devoted his life to the people, and according to the respected and beloved general's leadership." The report concludes by saying that machines will be concentrated in fall harvesting to complete rice and corn harvesting in a short time, thus "contributing to elucidating the 50th anniversary of the party founding as a great festival of the victors."

At 1100 GMT on 13 September, Pyongyang Korean Central Television Network in Korean carries a one-minute report on "farmers of Yongchon cooperative farm in Hwangju County and Sodong cooperative farm in Nagwon County each holding rallies on-the-spot to vigorously carry out the fall harvesting battle by highly upholding the party's policy that farming is best." The report says that at the rallies, reports were made and discussions were held on concentrating all strength in the fall harvesting battle of grains after carrying out farm work well following the demand of the chuche farming method. The report concludes by emphasizing that under the awareness of being masters, all the farmers will carry out fall harvesting, transport, and threshing with high responsibility. Thus, the great October festival will be all the more elucidated by thoroughly implementing the party Central Committee's slogans on the 50th anniversary of the Workers Party of Korea.

At 1200 GMT on 14 September, Pyongyang Korean Central Broadcasting Network in Korean carries a three-minute report on a dialogue between station reporter Kim Yun-chin and Comrade Kim Chung-pae, deputy director of the Agricultural Committee, on "functionaries and agricultural workers of agricultural sectors in various regions who are carrying out vigorous struggle to welcome the 50th anniversary of our party founding with results of high grain production, achieving innovations in corn harvesting."

At 2100 GMT on 17 September, Pyongyang Korean Central Broadcasting Network in Korean carries a one-minute report on "cooperative farms in Kaesong vigorously accelerating fall corn harvesting so that it had finished 29 percent of its planned fall corn harvesting as of 10 September." The report also says cooperative farms in Kaepung County, Panmun County, and state-run farms have also overfulfilled the plan for fall corn harvesting.

South Korea

Auto Talks With U.S. Open in Washington

SK1909035495 Seoul YONHAP in English 0208 GMT 19 Sep 95

[FBIS Transcribed Text] Washington, Sept. 18 (YONHAP) — With the U.S. Government, poised to invoke a Super 301 sanctions next week against South Korea's auto trade barriers, pressing Seoul to open its automotive market to foreign producers, officials of the two governments began a two-day meeting here Tuesday in what appears to be a last-ditch effort to solve the trade dispute.

U.S. Trade Representative Mickey Kantor, in an interview with CNBC television that aired Monday, threatened to slap trade sanctions on South Korea if the meeting failed to reach an agreement.

But a ranking official of the South Korean Embassy, commenting on the U.S. demand for lower import duties on foreign cars, said his government had done "as much as we can," suggesting that the meeting would not go smoothly.

Kantor, saying he wants an agreement with Seoul identical to the one he reached with Tokyo, complained that the measures Seoul recently took to lower its tariff barriers on foreign cars are "clearly not enough."

Stressing the U.S. Government would "make sure that we open that market," he said taking the dispute to the World Trade Organization for arbitration is "certainly an option."

Meanwhile, a South Korean Embassy official, in a meeting with South Korean news correspondents Monday, said "we have done as much as we can regarding the U.S. demands for lower tariffs and lower car taxes.

He added, "I understand the U.S. recognizes (our) sovereign principle of taxation and I hope the dispute will be settled with compromises."

The U.S. Government has complained about the way South Korean consumers think about foreign cars, tariffs and auto taxes, requirements for car type certification and auto sales financing, he explained.

A U.S. attorney involved in the trade dispute said the trouble with the U.S. Government is that slapping the Super 301 sanctions on South Korea would bring about a diplomatic and political burden greater than any benefit they might produce, adding the two governments have no real choice except to seek a political settlement.

As it did with Japan, Washington will likely take the issue to the World Trade Organization for examination rather than immediately impose Super 301 sanctions, the attorney remarked.

Dailies Comment on Auto Talks With U.S.

SK1909074595

[FBIS Editorial Report] The following is a compilation of editorials from ROK vernacular newspapers published on 19 September commenting on U.S. pressure for a wider opening of the ROK's car market on the threshold of ROK-U.S. automobile talks which begin Tuesday in Washington D.C.

The conservative CHOSON ILBO carries on page 3 a 700-word editorial entitled "ROK-U.S. Automobile Negotiations." Expressing worries that the ROK side will be dragged along by the U.S. side at the upcoming talks, the editorial states "the negotiations that only emphasize one side's interests are unfair and do not comply with the world's new trade order," and hopes that "the two sides will seek a settlement through a reasonable compromise and proper negotiations." Branding the U.S. call for the reduction of taxes levied on luxury cars with large engine capacities as an "excessive demand," the editorial notes "we cannot give up the basic principles of the system of progressive taxation on cars with larger engines, which are not discriminatory taxes, since the country does not produce a drop of oil." While questioning the U.S. intention behind "finding fault with the false image of the ROK Government in dealing with foreign cars," the editorial states that "the ROK should abide by principles while seeking a compromise as the automobile negotiations will be held at a delicate time linked with the U.S. political climate."

The moderate TONG-A ILBO carries on page 3 a 700-word editorial entitled "Excessive Demands at ROK-U.S. Automobile Negotiations." Pointing out that the ROK has taken a step to lower tariff barriers on foreign luxury cars, the editorial deplores that the U.S. side is "threatening trade sanctions against the ROK if the latter fails to announce measures on opening up its car market by the end of the month." The editorial then writes "automobiles with engine capacities of less than 1,500cc occupy 90 percent of the domestic car market," and "the import tariffs are even less than that of the EU as well as that of Canada." "Under such circumstances," the editorial contends, "the U.S. call for the additional reduction of import tariffs is nothing but arrogant." The editorial points out that the ROK has registered $36 billion of trade deficit with the United States during the first half of this year and the foreign car sales in the ROK have jumped up. Writing that "the reduction of import tariffs will only benefit other countries, not the United States," the editorial notes that "it would be more appropriate for the U.S. car industry to develop small cars that suit the ROK market," and then denounces the United States for "finding faults with the ROK's tariff barriers while sticking to the theory of big power."

The left-leaning HANGYORE SINMUN carries on page 3 an 800-word editorial entitled "The Reckless Offensives Taken by the United States Regarding the Car Market Opening." Writing that "the U.S. trade offensives" give the impression of a 'colonial trade,'" the editorial expects "its offensives will become harsher" in the wake of a bruising battle with Japan. Listing U.S. complaints over the ROK's "automotive barriers," the editorial states that these complaints are groundless and that they are only false charges by taking the example of the ROK's low import tariffs compared with that of the EU. The editorial then contends: "If the U.S. side's low import tariffs are in its own interests, it should not call on other countries, nor world trade, to follow suit." The editorial then notes: "Public sentiment will not tolerate the U.S. interference in domestic affairs, such as the demand on the reduction of progressive taxes on luxury cars." Lastly, the editorial calls on the ROK Government "not to be afraid of the U.S. threat to invoke the Super 301 sanctions nor to take this case to the World Trade Organization, but to resolutely stand up to this."

The moderate HANGUK ILBO carries on page 3 a 700-word editorial entitled "The ROK-U.S. Negotiations Should Be Settled Smoothly." The editorial hopes "the ROK and the United States will successfully wind up the automobile talks" on the basis of "mutual trust and a cooperative attitude." The editorial, however, states that the United States should "refrain itself from making excessive demands" and "should not view the ROK in the same light with Japan" whose trade barriers are incomparable to that of the ROK. Stating that ROK cars account for just 1.27 percent of the U.S. market and that the ROK's trade deficit with the United States is increasing, the editorial hopes that "the United States will not invoke the Super 301 sanctions with a view to realizing its excessive demands."

U.S. View of 'Notorious Trade Barriers' Noted

SK1909004495 Seoul THE KOREA TIMES in English 19 Sep 95 p 1

[By staff reporter Sim Chae-yun]

[FBIS Transcribed Text] The U.S. President's Advisory Committee for Trade Policy and Negotiations (ACTPN) has called on the Clinton administration to bring down Korea's "notorious" trade barriers through the World Trade Organization.

"The U.S. should work through the WTO, where possible, to break down Korea's notorious trade barriers," the committee said.

The panel called for an effective, contemporary approach to deal with Korea's barriers, claiming it has the necessary leverage to get results, and is supported by the U.S. defense and foreign policy establishment.

The committee's call draws particular attention from the Korean government since it comes on the eve of Korea-U.S. automobile talks starting Tuesday in Washington.

Korea has an extraordinary volume and variety of trade barriers, including certification and testing requirements, quarantine and customs clearance procedures, standards, lack of transparency, harassment of foreign companies, government interference in pricing, discriminatory taxation, and barriers to investment, the committee said in an advisory report submitted to U.S. President Bill Clinton last week.

"Nothing has been effective in persuading Korea to genuinely open its domestic market to many foreign goods and services," claimed the committee composed of 42 representatives of upstart U.S. major companies.

They include chairman Robert Allen of American Telephone & Telegraph Company; Robert Eaton of Chrysler Corporation, Louis Gerson of IBM Company; George Fisher, Eastman Kodak Company; and Jerry Junkins of Texas Instruments Inc. The committee is co-chaired by Andrew Young, chairman of the Atlanta Committee for the Olympic Games and Susan Hammer, mayor of San Jose City.

The committee's recommendation comes as a part of a series of U.S. trade pressure upon Korea after the U.S. administration recently indicated it would designate Korea as the priority negotiating nation in car disputes, even involving Super 301 sanctions.

The committee asserted that the bilateral agreements intended to institutionalize agreed resolutions are breached by Korea with relative impunity, the report said. The text of the report was made available through the Washington branch office of the Korea Foreign Trade Association (KFTA) yesterday.

"There is voice concern that we have not learned from our mistakes in other countries, and will allow Korea to exploit the world trading system while keeping its home market tightly closed," the ACTPN said.

"We clearly need to have workable alternatives in the arsenal of available policy responses. Consistent, justified, and technically export use of the WTO by the United States could be such an alternative, and is one which could also help develop that organization's effectiveness in dispute resolution," it added.

Claiming that the United States is not the only victim of Korea's anti-import policies, the committee said it should not be the only one trying to remove them. "If the U.S. can establish a successful track record of dismantling trade barriers in the WTO, the mere threat of bringing a case may move countries, including Korea, to negotiate," said the ACTPN.

"As we review case after case of Korean policies which clearly discriminate against foreign companies, goods, and services, many problems faced by U.S. companies in Korea are long-standing and appear intractable. These could be candidates for resolution in the WTO dispute settlement process," the committee said. Some problems, such as harassment of foreign companies, violate the spirit if not the letter of the WTO agreements, it added.

Major obstacles to trade with Korea included inconsistent discrimination against imports, manipulation of standards, biased tax structures, procedures which give imports a disadvantage compared to domestic products, forced technology transfer, and the refusal to accept international norms for product standards, ingredients, distribution, and market promotion activities, the panel said.

CPB Cites Issue of Recalls of Imported Cars

SK1909032995 Seoul THE KOREA TIMES in English 19 Sep 95 p 8

[Report by staff reporter No Chun-hun: "Many Operate Imported Cars Without Knowing of Flaws Subject to Recall"]

[FBIS Transcribed Text] A considerable number of owners of imported cars here are driving them without knowing that they have been recalled because of engineering flaws, the Consumer Protection Board (CPB) said yesterday.

According to board officials, there are an increasing number of "gray importers" running business without proper licensing from foreign automobile makers, thus depriving them of information about these flaws.

They said while those with proper contracts with foreign companies receive up-to-date information, the gray importers, who number more than 30, have no idea as to what is going on and so fail to relay the crucial data to owners.

Kim Hyon-chun of Kia Motors said the importers, who mostly operate under contracts with foreign dealers, range from those distributing General Motors cars to those with Japanese makers like Mazda. "While the numbers involved are about 10 percent of all imports, some of the flaws are deadly and related legislation has to be strengthened to prevent possible accidents," he explained.

Noting that a large number of foreign automobiles are often recalled, CPB officials said even cars from superior makers like Mercedez-Benz are subject to the consumer protection policy. "The practices of these gray importers must be monitored more closely to ensure that they assume responsibility for the cars that they sell," one official noted.

Statistics at the board, with the largest database of its kind here, show that virtually every imported model has been recalled for one flaw or another, Volvo, BMW and Saab of Sweden included.

In one specific instance, Kia Motors was informed of brake lining problems in Mercury Sables, the most popular import here, but none of the units sold here was affected.

"Nonetheless, it shows the effectiveness of operating under proper contracts with foreign makers. This is not the case with gray importers," said Kia's Kim who added many imported vehicles need to be checked.

The board's Choe Yong-chin said related government agencies, including the Ministry of Construction and Transportation must revise their policies to make regulations concerning recalled vehicles more effective.

U.S. Congress Resolution on Ties to North Cited

SK1909054995 Seoul YONHAP in English
0539 GMT 19 Sep 95

[FBIS Transcribed Text] Washington, Sept. 18 (YONHAP) — The U.S. House of Representatives has asked President Bill Clinton not to elevate relations with North Korea above the liasion office-level unless the communist country meets certain conditions and urged him to stop implementing the nuclear framework agreement reached in Geneva last October if the North Koreans try to resume their nuclear weapons development program.

In a plenary session held Monday, the U.S. Congress adopted a resolution, introduced by Asian and Pacific Affairs Subcommittee Chairman Doug Bereuter, calling on President Clinton not to improve diplomatic relations with North Korea beyond the liaison office-level and to postpone the removal of trade restrictions with the communist country unless it meets the following conditions — resumes inter-Korean dialogues, implements the joint South-North declaration for denuclearizing the Korean peninsula, reduces the number of troops deployed along the demilitarized zone and halts missile exports.

The resolution currently has no binding force, it has to be passed by the Senate and signed by Clinton in order to carry any weight.

The resolution is expected to have some significant bearing on the future course of developments in the U.S.-North Korea relationship, as it has provided definite congressional conditions which must be met before ties will be upgraded.

Regarding the framework agreement reached in Geneva last October, the House urged Clinton to confirm before continuing further with its implementation that North Korea meets the following conditions — it has taken all used nuclear fuel rods out of North Korea, it has allowed free access of International Atomic Energy Agency inspectors to all nuclear facilities including their nuclear waste disposal facilities, before arrival in North Korea of light-water nuclear reactor parts and components, and after it has dismantled the graphite-moderated reactor and nuclear waste disposal facilities.

Under the resolution, should the communist country restart the five-megawatt graphite-moderated reactor with new fuel or resume construction of the nuclear facilities other than those allowed by the Geneva accord, the U.S. Government would stop implementing the measures stipulated under the agreement, adding it is the House's feeling that South Korea should play a central role in the building of the two light-water reactors in North Korea under the agreement.

It also stressed that any plans to finance aid to North Korea or to contribute funds to the Korean Peninsula Energy Development Organization (KEDO) should be approved by Congress in advance.

House Foreign Affairs Committee Chairman Benjamin A. Gilman (N.Y.) said the resolution would ensure that Clinton takes a guarded approach when dealing with North Korea's nuclear issue, but Rep. Lee H. Hamilton (D.Ind.) charged that the resolution would reduce the possibility of successfully implementating the Geneva agreement as it is amends the pact too onesidedly.

South Not To Give Aid Without 'Formal' Request

SK1909002495 Seoul THE KOREA HERALD
in English 19 Sep 95 p 2

[FBIS Transcribed Text] The South Korean government will not offer aid to North Korean flood victims unless North Korea makes a formal request for such aid, a government official said yesterday.

The decision not to make any aid offer is a turnabout from an earlier policy of providing North Korea with $2 million.

Last week, Deputy Prime Minister Na Ung-pae suggested the South Korean government send $2 million worth of relief materials to North Korea.

But Na's suggestion met stiff opposition from the ruling Democratic Liberal Party, who said the public, angered by North Korean hostilities, does not support aid to North Korea.

The South Korean public sentiment against North Korean aid has been evidenced by a vernacular newspaper's recent survey.

In its Sunday issue, CHUNGANG ILBO said 63 percent of South Koreans are opposed to the prompt provision of relief materials for North Korean flood victims.

Seven out of every 10 South Korean adults, who responded to a poll conducted via telephone Friday and Saturday, believe South Korean official assistance should follow a North Korean request, the daily said.

The paper said South Koreans are angry about coercion to a South Korean ship to fly the North Korean flag and the detention of another South Korean ship and its crew in the North on reconnaissance charges. The two ships were delivering South Korean rice aid in July and August.

One out of every three people opposed to prompt aid cited North Korea's bad manners as the reason for their opposition, the paper said.

The South Korean government took such public sentiments into account when it decided not to offer aid to North Korean flood victims in the absence of a formal request from the North, a government official said.

The official said the South Korean government and its party will delay their consultations on aid until North Korea formally asks for relief materials.

North Korea, which is seeking relief aid from the United Nations, other international agencies and foreign countries, has made no response to an offer by the Korean National Red Cross (KNRC) in the South to send $50,000 worth of medicine and blankets.

Should North Korea continue to ignore the offer, a South Korean official said, KNRC plans to send its relief materials to the International Federation of Red Cross for delivery to the North.

DLP Softens Stand on $2 Million Aid for North

SK1909073495 Seoul YONHAP in English
0704 GMT 19 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 19 (YONHAP) — The ruling Democratic Liberal Party has moved toward accommodating the administration's plan to offer North Korea some 2 million U.S. dollars to help the latter recover from the flood damage it recently sustained.

The government party discussed the plan at a senior postholders meeting held at the party's Yoido headquarters Tuesday, presided over by party chairman Kim Yun-hwan, and decided to finalize the proposal at its joint meeting with the administration on foreign affairs Thursday.

DLP chief policymaker Kim Chong-ho, following the meeting, said, "It is difficult for the country to sit idle when many other countries including Japan are providing flood relief to North Korea. We think the administration's external problems should also be taken into account."

The ruling party has opposed the government's plan to offer flood assistance to North Korea unless it is formally requested by the North, because it claims the public is against it.

However, "North Korea's formal request is not necessarily a condition which must be met," he added.

Deputy Prime Minister and National Unification Minister Na Ung-pae expressed Monday the administration's intent to offer the North "about 2 million dollars, the same amount of aid South Korea extended to Japan in relief after it suffered from the Kobe earthquake earlier this year, even if there is no formal request made."

Deputy Premier Urges Aid To Improve N-S Ties

SK1909114695 Seoul YONHAP in English
1118 GMT 19 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 19 (YONHAP) — Deputy Prime Minister Na Ung-pae said Tuesday South Korea would be able to provide relief assistance to flood-stricken North Korea even when there is no request from Pyongyang.

"We have a precedent in which we handed an aid to Japan when it suffered a devastating earthquake last year," Na who is concurrent national unification minister said.

Testifying at an Assembly Unification and Foreign Affairs Committee, the deputy premier said he believes the planned provision of 2 million dollars in flood aid to the North, along with the current shipment of 150,000 tons of rice, would be helpful to the improvement of South-North relations in the long run.

On the Beijing South-North talks opening on Sept. 27, Na said that at the meeting the South would certainly raise the issues of seized fishing boat Wusung-ho and of the remarks made by North Korean Workers'

Party Secretary Kim Yong-sun in which he reportedly ridiculed the South's donation of rice.

"We are trying to hold the talks taking place in Beijing either at Panmunjom or in Seoul and Pyongyang by turn," he said.

North Scholars Urge Joint Study of Unification

SK1809110495 Seoul TONG-A ILBO in Korean 18 Sep 95 p 2

[Report from Frankfurt by Kim Man-hui]

[FBIS Translated Text] In relation to the reunification issue, North Korean scholars have altered their former stance insisting on a confederal reunification formula, and have instead stressed the need to mutually study the reunification formulas of both the North and South. This has attracted keen attention.

The issue was raised by a professor of the North Korean Academy of Social Sciences at a seminar held at the invitation of the German Christian Academy in (Adelsheim), Germany, from 15 to 17 September with the attendance of scholars from the North and South.

Kim Po-kyun, professor at Seoul National University, and Kang Chon-ku, professor at Tongguk University, attended the seminar from the South side, and Pak Song-tok, director of the Philosophy Institute of the Academy of Social Sciences, and Kim Kwan-ki, professor at the Academy of Social Sciences, attended from the North side. The two sides exchanged views on the tangible conditions for reunification.

On the 17 September discussions, the North side's Pak Song-tok said: "Both the North and South need to study a reunification formula that can complement the South side's commonwealth formula and the North side's confederal state formula." He also said: "If the North and South have a strong will, the two sides will be able to map out a reunification formula which both sides agree on."

In addition, the North side's delegates pointed out that the South side's disconnection from its deformed social character of subordination to outside forces is the most important precondition for reunification whereas the South side insisted that the North should escape from "the notion of determinism" and needs to pay attention to South Korean society's various changes.

IAEA Chief Urges North To Permit Monitoring

SK1909005895 Seoul YONHAP in English 0036 GMT 19 Sep 95

[FBIS Transcribed Text] Berlin, Sept. 18 (YONHAP) — International Atomic Energy Agency (IAEA) Director-General Hans Blix on Monday called upon North Korea to permit IAEA monitoring activities designed to ensure the country's nuclear transparency.

In his address opening the 39th IAEA general conference at the IAEA's Vienna headquarters, Blix urged North Korea to permit the nuclear watchdog agency to confirm the nuclear material report which it submitted to the IAEA upon signing the nuclear safety treaty.

Blix said that limited progress has been made in the IAEA's technical discussions now underway in North Korea, but did not disclose any further details. He did note, however, that North Korea accepted an IAEA proposal on technical matters the agency considers necessary for full compliance with the nuclear safety agreement, Blix said, but with a proviso attached allowing the North the opportunity to review the proposal for possible future negotiations.

South Korean Science and Technology Minister Chong Kun-mo, meanwhile, stressed in his address Monday that the IAEA's monitoring capabilities should be reinforced to ensure compliance with the Nuclear Nonproliferation Treaty. He called on North Korea to fully comply with nuclear safety measures and to guarantee its nuclear transparency.

The North Korean nuclear issue, item 23 on the general conference's agenda, is expected to be dealt with during the latter half of the week-long session.

Some IAEA member countries, faced with North Korea's prolonged rejection of IAEA inspection and monitoring activities, are reportedly going to propose a resolution at the current general session urging Pyongyang to take a sincere attitude toward the matter.

Tape of Kim Chong-il Conversation Published

SK1909072395

[FBIS Editorial Report] Seoul WOLGAN CHOSON in Korean carries on pages 104 to 128 of its October 1995 issue, a 24-page article by editor Cho Kap-che providing the full transcript of secret tape recordings of conversations between Kim Chong-il and film director Sin Sang-ok and his wife, actress Choe Un-hui, who were allegedly kidnapped to North Korea in 1978 and who later defected to the West in 1986. The article notes that while a press release was issued in 1989 when the ROK's Agency for National Security Planning obtained the tape, this is the first time that the tape has been made available to the public.

The article notes that Choe Un-hui put a mini cassette tape recorder in her purse to record the conversation between the Sin- Choe couple and Kim Chong-il in "the reception room of Kim Chong- il's office in Pyongyang from 1800 to 2100 on 19 October, 1983." Their conversation covers cinematic trends in North and South Korea, and Director Sin's background in filmmaking. Noting that he is the only person capable of appraising North Korea's backwardness, Kim Chong-il says: "Director Sin, please conduct reforms — I will act as your shield."

They then discuss the South Korean Government's restriction of Sin's work, and Kim Chong-il is quoted as saying: "It would be natural for you to say you came here to exercise your rights to creative freedom, instead of saying you were forced to come here."

Kim Chong-il then talks of the examples of opening up in the Soviet Union, East Germany, Yugoslavia, and the PRC, and points out the importance of internal reform prior to opening up. Kim Chong-il is quoted as saying: "We have to develop our technology before opening up to foreign countries, but again, this is self-contradictory." Kim Chong-il continues to point out the lack of enthusiasm among North Korean filmmakers, and says: "Socialism is fine, but there are many internal problems that need to be solved."

The article then provides the transcript of the telephone conversation between Kim Chong-il and Sin Sang-ok in late July of 1984. The article notes that the party provided an official recording of the conversation to Sin so he could better understand Kim Chong-il's "teachings." In the recording, Kim Chong-il instructs Sin to visit several European countries to show the world that the Sin-Choe couple had not been kidnapped, as alleged by the South Korean authorities.

The article also provides the transcript of the conversation held between Kim Chong-il, Sin Sang-ok, and Choe Un-hui in Kim's office in Pyongyang on 4 August 1984. Kim Chong-il commends Choe for winning the best director's award at an international film festival held in Czechoslovakia, and quotes Kim Chong-il as saying the following regarding opening up: "After having experienced about 30 years of socialism, I feel we need to expand to the Western world to feed the people. The reality is that we are behind the West. The people's consciousness and ideology are important issues. Eastern European countries are having a hard time overcoming the ideology problem."

In the transcript, Kim Chong-il talks about his meeting with PRC leader Hu Yaobang, in which the latter suggests that the DPRK develop tourism. Kim Chong-il says that he pointed out that since all the border areas are military fortresses, the opening up of the DPRK to earn tourist money would entail the withdrawal of military forces, which would be tantamount to "disarmament." The article quotes Kim as saying: "We will develop tourism after reunification." Kim Chong-il also notes the strategic importance of Chongjin Port, by saying: "I told Hu Yaobang: All right, we will open up, but only partially. Where? Chongjin. We will open up Chongjin and Kangwon Province. The west coast? No, we cannot open up the west coast. Kaesong is too close to the inner regions."

The article also provides the transcript of recordings of the meeting between Kim Chong-il, Sin Sang-ok, and Choe Un-hui on 31 December 1984, during which they discuss upcoming film projects. The article notes that Kim Chong-il called them into his office to prepare them for a meeting with Kim Il-song the next day, which was New Year's Day.

The article provides the transcript of recordings of the meeting between Kim Il-song, his wife Kim Song-ae, Sin, and Choe on the following day on 1 January 1985. The last part of the article provides the transcript of the telephone conversation between Kim Chong-il and Choe Un-hui on 24 September, 1985, in which Kim consoles Choe for not being allowed to attend the performance by South Korean artists, which took place in Pyongyang on 21 September as part of the North-South cultural exchange programs.

The October 1995 edition of WOLGAN CHOSON is accompanied by a 60-minute audio cassette tape version of the above article including real voice recordings of the conversations between Kim Chong-il, Sin Sang-ok, and Choe Un-hui. Introduction and comments by the author, Cho Kap-che, are read by the author.

North Plans for German Research Complex Cited

SK1609040895 Seoul YONHAP in English
0030 GMT 16 Sep 95

[FBIS Transcribed Text] Berlin, Sept. 16 (YONHAP) — North Korea plans to establish a research complex in the small German City of Chemnitz in order to import advanced technology from Western Europe, a German newspaper reported Friday.

The newspaper, FRANKFURTER ALLGEMEINE ZEITUNG, said Chief of the North Korean mission to Geneva Yi Chol signed the agreement with Chmenitz mayor for the joint establishment of the research complex, which may cost as much as 750 million Deutsche Marks (DM).

The construction of the complex is scheduled for completion in 1997.

Chongnyon Amends References to U.S., South

SK1709044495 Seoul CHOSON ILBO in Korean 17 Sep 95 p 1

[Report by Tokyo-based correspondent No Chae-hyon]

[FBIS Translated Text] The General Association of Korean Residents in Japan [Chongnyon] adopted a new program eliminating the phrase "the U.S. imperialist aggressors" during its 17th Congress which ended in Tokyo on 15 September. Chongnyon has also deleted the phrase, "the puppet clique," which designates South Korea in its old program.

Chongnyon's program amendment, the first in 40 years since it was founded in 1955, is interpreted as a preliminary work to support the establishment of liaison offices of the United States and North Korea and the improvement in relations between North Korea and the United States and between North Korea and Japan, as well as the establishment of their diplomatic relations. It is likely that following the revision of Chongnyon's program, the North Korean Workers Party's program, which includes the phrase "U.S. imperialist aggressor forces," will be amended soon.

The people's attention was focused on whether Ho Chong-man, incumbent responsible vice chairman and a close associate of Kim Chong-il, would be elected as the new chairman, leaving out Han Tok-su, chairman of Chongnyon's Central Executive Committee, during the recent congress held for three days from 13 September. However, the two remained in their present positions, and thus the existing system is to be maintained.

Ministry Moves To Invite North to Sports Events

SK1909075595 Seoul YONHAP in English 0641 GMT 19 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 19 (YONHAP) — The government decided to formally invite North Korea Tuesday to two international sports competitions that will be held in South Korea next year, the Culture and Sports Ministry said.

According to the report the ministry submitted to Rep. Pak Chong- ung of the ruling Democratic Liberal Party (DLP) for parliamentary inspection, the government will also make efforts through diplomatic channels like China, Japan and several international sports organizations to encourage North Korea to attend the competitions.

South Korea is to hold the 18th Winter Universiad from Jan. 24 through Feb. 2 in the cities of Chonju and Muju, North Cholla Province, and the 2nd East Asian Games in Pusan sometime in May or June next year.

North Korea has not participated in an international sports competition since May 1993, when the first East Asian Games were held in Shanghai, China.

*North Korea's Aviation Infrastructure Viewed

95P30152A Seoul PUKHAN-UI SAHOE KANJUP CHABON SILTAE PUNSOK in Korean Oct 94 pp 44-49

[Book by the Research Institute of National Unification: *Pukhan-Ui Sahoe Kanjup Chabon Siltae Punsok* (*Analysis of North Korea's Social Infrastructure Investment*), Seoul, October 1994, 114 pages]

[FBIS Translated Excerpt] [passage omitted] In North Korea, there are virtually no domestic routes utilized for purely civilian aircraft; however, there is a regular Pyongyang-Hamhung-Chongjin route that is used for travelers on official business. Other personnel and materials transport is conducted on unscheduled domestic routes. (Footnote 30) (Among these, the Sunan-Hyesan route is comparatively busy in transporting tourists to Mt. Paektu)

As for airport facilities, Sunan Airport near Pyongyang is used as an international airport, while there is a total of 17 domestic airports, to include Sunan, Sodok (Hamhung), Chongjin, Hyesan, Samjiyon, Sunchon, Kwail, and Wonsan. However, most of these are simple airports that are also used as military airports, lacking adequate runways and port facilities and thus used for small-sized passenger aircraft and helicopters.

There are no international air routes from North Korea that lead to the Western world. There are routes to four countries (China, Russia, Germany, and Bulgaria) that traverse the Asian continent, and four routes that run to five cities (Beijing, Moscow, Khabarovsk, East Berlin, and Sofia). There are, however, only two foreign carriers—CAAC and Aeroflot—that fly directly into North Korea.

Table 19. North Korea's International Air Routes

Flight	From / To	Day	Type	Notes
DPRK				
JS-151	Pyongyang-Beijing	Tuesday	AN-24	Began flights February 1959
JS-152	Beijing-Pyongyang	Tuesday	AN-24	
JS-151	Pyongyang-Beijing	Saturday	IL-18, TU-134, TU-154	Began flights August 1987
JS-152	Beijing-Pyongyang	Saturday	IL-18, TU-134, TU-154	
JS-253	Pyongyang-Khabarovsk	Saturday	IL-18, TU-154	Began flights September 1974
JS-254	Khabarovsk-Pyongyang	Saturday	IL-18, TU-154	
JS-215	Pyongyang-Moscow-East Berlin	Wednesday	IL-62	Began flights between Pyongyang and Moscow in April 1993; to East Berlin in November 1987
JS-216	East Berlin-Moscow-Pyongyang	Thursday	IL-62	
JS-217	Pyongyang-Moscow-Sofia	Thursday	TU-154	Began flights between Pyongyang and Moscow in April 1984; to Sofia in November 1988
JS-218	Sofia-Moscow-Pyongyang	Friday	TU-154	
China				
CA-903	Beijing-Pyongyang	Friday	TRD	Began flights February 1959
CA-904	Pyongyang-Beijing	Friday	TRD	
Russia				
SU-567	Moscow-Pyongyang	Monday	IL-62	Began flights December 1959
SU-568	Pyongyang-Moscow	Tuesday	IL-62	
SU-813	Khabarovsk-Pyongyang	Thursday	TU-154	Began flights September 1974
SU-814	Pyongyang-Khabarovsk	Thursday	TU-154	

North Korea's international aviation developed around its two primary trading partners, China and the former Soviet Union. Although the current Pyongyang-Beijing route is served by both a Chinese and a North Korean carrier, the former Soviet aircraft that is used on the Pyongyang-Moscow route is jointly operated by North Korea and Russia. In 1987, North Korea extended the Pyongyang-Moscow route to East Berlin, and added a regular flight into Sofia, Bulgaria in 1988.

With the increase in business with Japan, a regular flight between Pyongyang and Khabarovsk was established in 1975. An indirect route from Pyongyang to Khabarovsk and on to Niigata, Japan was established by using the already existing Khabarovsk-Niigata route. (Footnote 31) (JAL [Japan Airlines] is used for the route from Japan to Khabarovsk in Siberia to attract Japanese tourists. Japanese passengers then change planes in Khabarovsk and board a Korea Air [Choson Minhang] flight into North Korea. This is primarily used by members of the Chosen Soren. Recently, Alaska Air of the United States has been searching for a destination in the Far East, with routes under consideration including Anchorage to Magadan (Siberia) to Khabarovsk. This makes it possible for North American travelers to go to the Far East, as well as to make connecting flights from Khabarovsk into North Korea.)

North Korea is preparing for the internationalization of aviation. It has recently conducted test flights for the operation of a chartered flight between Pyongyang and Hong Kong. In January 1992, North Korea signed an agreement with Japan concerning chartered flights. The North concluded an aviation agreement with Thailand in August 1992, and is known to have agreed to two scheduled flights a week running from Pyongyang through Beijing to Bangkok.

Air Transport Capabilities

North Korea has a total of 64 civilian-use aircraft (including light airplanes and helicopters). Among these, 24 are used for international routes. There are 10 capable of long-distance flights (six IL-62M's with ranges of 9,145 km and four TU-154B's with ranges of 5,285 km) and six capable of medium-range flights (two TU-134B's with ranges of 3,000 km and four IL-18's with ranges of 2,384 km). The remaining eight aircraft are for short-range flights (AN-24's with a range of 1,291 km). (Footnote 33) (According to [ROK] Korean Air estimates, North Korea has five IL-14's, four IL-18's, four IL-62M's, eight AN-24's, two TU-134B's, and four TU-154B's, for a total of 27 aircraft. See *Pukhan-ui Kyotong Hyonhwang* [*Current Status of North Korea's Transportation*], Seoul, Korean Air, 1992 page 55. The difference in estimates of North Korean passenger aircraft is believed to derive from the fact that IL-14's are not used on international routes.) The seating capacity of large-sized passenger aircraft is only 186; because there is no market, super-large-sized aircraft such as the B-747 and Airbus are not operated. The seating capacity of these aircraft is shown below:

Table 21. Current Status of International Passenger Aircraft on Hand in North Korea

Aircraft	Number on Hand	Number of Seats	Engines	Range
AN-21	8	50	2	1,291 km
IL-18	4	75-125	4	2,384 km
IL-62M	6	186	4	9,145 km
TU-I134B	2	64-72	2	3,000 km
TU-154B	4	164	3	5,250 km

Table 20. Details of North Korea's Civil Aviation

Date	Details
10 December 1946	The North Korean Aviation Construction Central Committee was launched, with operational control exercised by the First Soviet Army.
December 1953	A protocol for the launching of Korea Air Transport was signed with the Soviet Union. The Korea-Soviet Aviation Transport Joint Venture was established, with North Korea's very first international scheduled line put into operation (Pyongyang-Shenyang-Chita, twice weekly).
May 1954	First scheduled domestic route begins operations (Pyongyang-Hamhung-Chongjin, three times weekly).
8 September 1955	Korea Air Transport Company established (with aircraft imported from the Soviet Union); the Aviation Administration Department is established, directly subordinate to the cabinet.

Date	Details
1958	The Pyongyang-Chongjin route is eliminated due to reduced demand and financial difficulties stemming from restrictions on travel by the general public.
December 1958	Protocol signed with the Soviet Union (for landing of the TU-104 on the Pyongyang-Moscow route).
18 February 1959	Landing agreement signed between North Korea and China
February 1959	New scheduled indirect route from Pyongyang to Moscow established (TU-104).
1 April 1959	Regular route established from Pyongyang to Beijing.
1960	Company operating rights transferred to the North Korean Air Force [NKAF] Headquarters (to the NKAF-subordinate Civil Air Directorate).
1974	Aviation agreements expanded with countries in the Middle East, Africa, and Asia (a total of 39 countries, to include Iraq, Syria, and Pakistan).
September 1975	Route established for the Pyongyang-Khabarovsk flight (one flight each weekly by a North Korean A-24 and Soviet TU-154).
1978	The newest Soviet-made long-range passenger aircraft—the IL-62 and TU-154—placed in service; an additional direct flight between Pyongyang and Moscow is added (twice weekly).
November 1987	Pyongyang-Moscow route extended to Berlin.
1988	Pyongyang-Moscow-Sofia route established.
13 January 1990	Test flight conducted for the operation of a chartered flight between Pyongyang and Hong Kong.
23 January 1992	At DPRK-Japan Aviation Talks held in Beijing, both sides agree to around 40 flights.
29 August 1992	Aviation agreement with Thailand concluded (agreement for a regular Pyongyang-Beijing-Bangkok route, two flights weekly).

PRC Reports No Evidence Clergyman Abducted

SK1909083895 Seoul HANGUK ILBO in Korean 19 Sep 95 p 2

[FBIS Translated Text] It was learned on 18 September that Chinese authorities who had been investigating an incident involving the entry into North Korea of An Sun-un, a priest of the Yoido Full Gospel Church, made the final conclusion that they had failed to find any evidence indicating that North Korea abducted him. It was also learned that Chinese authorities informed the ROK Government that they would send the results of their investigation to the ROK this week.

PRC Provinces Said Seeking Korean Investment

SK1909014995 Seoul THE KOREA TIMES in English 19 Sep 95 p 8

[FBIS Transcribed Text] An increasing number of heads of Chinese provinces, along with top government officials, are rushing to Korea in a bid to attract Korean investments, the Ministry of Trade, Industry and Energy [MOTIE] said yesterday.

The latest of the visits here has been by Xiao Yang, governor of Sichuan Province, who paid a courtesy call on Trade, Industry and Energy Minister Pak Chae-yun to discuss bilateral economic cooperation.

In the meeting, Xiao, a fast-rising figure in Chinese politics, discussed the possibility of accelerating Korean investment in a wide range of Chinese industries where there is an abundance of natural resources.

MOTIE officials said one of the strongest advantages of Chinese industry is that it has plenty of skilled manpower and natural resources, both of which Korea is severely lacking.

Owing to the imbalance, there have been a large number of projects in which the two countries are collaborating, including the building of a medium-size passenger aircraft due to begin in a couple of years.

Recently, at least five top officials of Chinese provinces have visited Korea, all at their own discretion and all to warm welcomes.

The visitors have included Yang Zhengwu, governor of Hunan Province; Li Changchun, general secretary of Henan Province and Wen Shizhen, governor of Liaoning Province.

All the top Chinese provincial officials asked for cooperation in injecting Korean capital into the development of their economies, focusing on their rich natural resources.

Talks To Normalize Ties to Laos Said Near

SK1809002095 Seoul YONHAP in English 0015 GMT 18 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 18 (YONHAP) — High-ranking officials from South Korea and Laos will meet next month to discuss normalizing full diplomatic relations by as early as the end of this year, a government official said Monday.

"The South Korean Government has been negotiating with the government of Laos through diplomatic channels in Southeast Asia trying to realize the establishment of full diplomatic relations," he said.

"Based on the outcome of the negotiations, high-ranking officials from both countries will meet in October for normalization talks," he said.

He added his hope that ambassadorial-level diplomatic relations will be established as early as the end of this year.

Laos and Cambodia are the only Asian countries with which South Korea does not have diplomatic relations.

The official also said that he expects there to be no major hurdles to the realization of full diplomatic relations between South Korea and Cambodia, citing the fact that Cambodia recently expressed its support for South Korea's bid to join the United Nations Security Council.

Ministry Denies Timetable for Ties

SK1909005295 Seoul THE KOREA HERALD in English 19 Sep 95 p 2

[FBIS Transcribed Text] The Foreign Ministry denied as groundless press reports that Seoul will establish diplomatic ties with Laos within the year.

"We have been negotiating with the Laos government over the issue through diplomatic channels, but we don't have a concrete timetable for the establishment of bilateral ties," a ministry spokesman said.

He also denied that high-ranking officials from both countries will meet next month for normalization talks.

Laos and Cambodia are the only Asian countries with which South Korea does not have diplomatic relations.

Officials here believe that there will be no major hurdles to the realization of full diplomatic ties since Cambodia recently expressed its support for South Korea's bid to join the United Nations Security Council.

Korea Development Bank Opens Office in Hanoi

SK1609060095 Seoul THE KOREA TIMES in English 16 Sep 95 p 9

[FBIS Transcribed Text] The Korea Development Bank [KDB] opened a representative office in Hanoi, the capital of Vietnam, Thursday, paving the way for fullblown financial assistance for Korean enterprises doing business there.

The office will also focus on providing investment information and consulting services for companies wishing to enter Vietnam.

The state-run bank has been stepping up efforts to enter so- called emerging markets in Southeast Asia which have been enjoying a business upturn. "With the branch, the KDB will contribute to promoting economic cooperation between our two countries, based on the experience and credibility the bank has accumulated in charge of longterm investment banking in Korea," a KDB spokesman said.

Vietnam has emerged as an important trading partner and investment recipient since diplomatic normalization of its ties with Korea in December 1992. The two-way trade amounted to 1.1 billion dollars last year with Korean investment of more than 1.4 billion dollars.

Memo Signed With SRV on Telecommunications

SK1609051695 Seoul THE KOREA TIMES in English 16 Sep 95 p 3

[FBIS Transcribed Text] Korea and Vietnam Thursday agreed to cooperate in the telecommunications field, thus expanding Korean communications industry's access to the Vietnamese market.

Information-Communication Minister Kyong Sang-hyon and his Vietnamese counterpart Dang van Than [name as published] signed a memorandum of understanding [MOU] in the former's office for wider telecommunications exchanges.

The MOU included agreements on exchanges of the telecommunications technologies and experts, and Korean business participation in the phone network modernization project of Vietnam.

Under the MOU, many of the domestic businesses are expected to join the Vietnamese telecommunications project to construct 2.35 million of phone circuits, a ministry spokesman said.

In the ministerial meeting, the Vietnamese minister also expressed his hopes for the cellular and paging services by the Korean firms in Vietnam, after giving an official approval to the Korea Telecom's phone network project in three Vietnamese regions.

Telecom Talks Fail To Narrow Gap With EU

SK1709035995 Seoul THE KOREA HERALD in English 17 Sep 95 p 8

[FBIS Transcribed Text] Korea and the European Union have failed to narrow their differences concerning terms of the opening of telecom equipment procurement markets, the Ministry of Information and Communication [MIC] said yesterday.

In the second round of telecommunications talks held in Brussels Thursday and Friday, the two sides exchanged views about a wide range of pending issues, such as procurement procedures and dispute settlements.

But the delegations, headed by Pak Chang-hwan, a senior MIC official, and P. Thompson, a mid-ranking official of the EU executive committee, confirmed that widely dissenting views still exist on most pending issues.

"EU demanded that Korea Telecom, Dacom and all other public and private telecom companies in Korea be subject to the World Trade Organization's rules on government procurement, while the Korean delegation stuck to Korea Telecom alone," said a ministry official.

In the field of information superhighway projects, however, the two parties agreed in principle to establish a bilateral coordination committee shortly, a step made to boost ties in policy-making and action plans.

The EU side also accepted a request from Korea that the problem of reciprocal recognition of each other's type approval tests on telecom equipment be settled simultaneously with the procurement market liberalization.

"Accordingly, Korea and EU are likely to accelerate bilateral negotiations over the equipment type-approval tests from next year," he said.

The bilateral telecom talks was initiated as EU strongly urges Korea to expand overall trade volume with the EU countries.

A third and a fourth bilateral meeting on the telecom equipment procurement market are also scheduled to take place in the following months.

Memo Signed With Russia on Statistics Exchange

SK1609060095 Seoul THE KOREA TIMES in English 16 Sep 95 p 8

[FBIS Transcribed Text] Korea and Russia signed a memorandum of understanding on promoting bilateral exchange of statistical information, the National Statistical Office said yesterday.

Officials from statistical agencies from the two countries also agreed to further cooperate in the mutual development of statistical techniques, the office said.

At a working-level meeting held in Seoul Thursday and Friday, the two sides also discussed the kind, scope and method of statistical data to be exchanged, it said.

Panel Announces Economic Deregulation Package

SK1609055795 Seoul THE KOREA HERALD in English 16 Sep 95 p 8

[FBIS Transcribed Text] In line with a government plan for administrative deregulation, an interministerial panel yesterday finalized an economic decontrol package covering 129 tasks in nine areas.

The nine sectors are foreign investment in Korea, finance, export and import clearance, environment, distribution, form certification of industrial goods, improvement in competition-restricting rules, energy and land use.

The Committee for Economic Deregulation has decided to lift restrictions on the 129 tasks, which will have a far-reaching impact on the national economy, the Ministry of Finance and Economy said yesterday. Deputy Premier and Minister of Finance and Economy Hong Chae-hyong heads the panel.

The 129 deregulatory steps have already been announced and some of them are to be implemented immediately. Others requiring the rewriting of related laws will take effect next year and in 1997.

Under the deregulation program, foreign corporations will be allowed to make friendly acquisitions of domestic companies on a partial basis from 1997.

Foreign firms, however, will still be restricted in taking over domestic firms engaging in such strategic industries as defense, nuclear power generation, communications and broadcasting.

Commercial loans borrowed from abroad and with a repayment term of five years and over will be classified as foreign direct investment here.

The government will also lift a prior approval requirement for foreign investment in 43 business areas and simplify the after-the- fact monitoring procedures for foreign-invested corporations operating here.

Fewer Foreign-Funded Firms Pull Out in 1995

SK1609092595 Seoul YONHAP in English 0843 GMT 16 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 16 (YONHAP) — Foreign-invested firms which pulled out of South Korea in the first seven months of the year numbered 22 — 15 in the manufacturing sector and seven in the non-manufacturing sector, according to the Finance and Economy Ministry.

The money they took out of the country totaled 37.642 million dollars — 17.533 million dollars by 15 manufacturing firms and 20.109 million dollars by seven non-manufacturing concerns.

The figures are compared with the 47 foreign firms which withdrew from the country in the whole of last year, with 159.449 million dollars.

The reasons for withdrawal they cited include reduced business profits, management conflict with local partners and change of business line.

Grievances of foreign-invested businesses are decreasing as the government is continuing its efforts to improve foreign investment environment, ministry officials said.

Sinhan Bank Buys U.S. Marine National Bank

SK1909005395 Seoul THE KOREA HERALD in English 19 Sep 95 p 9

[FBIS Transcribed Text] Sinhan Bank yesterday acquired Marine National Bank (MNB) of the United States for about $12 million in a move to expand its overseas operations in North and Latin Americas, the domestic commercial bank said.

Sinhan, thus, became the nation's first commercial bank to buy a foreign financial institution on a traditional merge and acquisition (M&A) basis, according to the bank.

Sinhan said that it will set up a paper company in the United States to buy all the MNB shares in cash.

MNB is a community bank whose headquarters are located in the city of Irvine in Orange County, Calif. with two branches. It is listed on the U.S. over-the-counter market.

The U.S. bank had total assets of $105 million and a paid-in capital of $7.19 million as of the end of June this year, the bank said.

"As part of our active global business strategy, we decided to buy the U.S. bank and the acquisition would serve as a good springboard for our bank to expand further into North and Latin Americas," said Na Ung-chan, president and chairman of Sinhan Bank.

Na said Sinhan started its feasibility study on the acquisition of the MNB last December and offered to acquire the bank this year.

He expected all the acquisition procedures would conclude by the end of next March.

"In the age of globalization and localization, domestic banks, if they really want to go global, should adopt the M&A method in branching out abroad, rather than only sticking to traditional ways of opening overseas branches, subsidiaries and representative offices," Na said.

Sinhan Bank is the seventh largest bank in Korea with customer deposits of 17 trillion won as of yesterday. The bank posted a net profit of 153.24 billion won last year, showing a rise of 15.2 percent over a year ago.

It raked in a net income of 62.5 billion won in the first half of the year, the bank said.

The bank received the highest credit rating among Korean commercial banks from the two U.S. rating agencies of Moody's and Standard and Poor's last year, it said.

Firm Wins Bid To Paint Beijing's Gugong Museum

95P30162B

[FBIS Editorial Report] The 22 July issue of KILLIM SINMUN, a Korean- language newspaper published in Killim, Jilin Province, China, reported that Taehan Paint Company has won a 7 billion won ($8.75 million) contract to repair and paint the Gugong Museum [Imperial Palace Museum] in Beijing. Taehan Paint Company estimates it will need approximately 8,000 liters of non-gloss, natural color paint for the project. Under the contract, the company will paint 12,000 square meters of the museum. This will be the first time the Imperial Palace Museum will use foreign paint. In the past, China has used paint produced by Shandong Province, which did not withstand normal wear and tear very well. A

British paint company reportedly was also a strong bidder for the project, but the ROK paint proved to be of better quality. Taehan Paint Company is scheduled to complete the project before this year's Double Ten Day national celebration, which also marks the Gugong Museum's 70th anniversary and for which a big celebration is planned.

Yanji-Seoul Direct Air Service Begins

95P30162A

[FBIS Editorial Report] The 18 July issue of KILLIM SINMUN, a Korean-language newspaper published in Killim, Jilin Province, China, reported that Jilin International Airline has begun passenger service from Yanji to Seoul via Changchun. Yanji and Changchun are in Jilin Province. Although it is an unscheduled charter service, the company is optimistic about the future of the route. On 15 July, the inaugural flight left Yanji to Seoul with a full aircraft of 145 passengers. The paper said that the company believes the new service will "accelerate and improve" the economic and cultural cooperation between Jilin Province, particularly the Korean-Chinese community, and South Korea.

Chongwadae 'Displeased' With Media Surveys

SK1909013695 Seoul THE KOREA TIMES in English 19 Sep 95 p 2

[FBIS Transcribed Text] Chongwadae [the presidential office] is displeased with the mass media which are conducting surveys of the popularity of political bigwigs and revealing results of simulations of the next presidential election.

Chongwadae officials said it is too early for the mass media to make a big deal about mock results of the next presidential election now that President Kim Yong-sam has just started the second half of his five-year term.

They worried that such activities by the mass media and the early emergence of presidential hopefuls may make the President a lame duck prematurely.

Asked to comment on a recent Monthly CHOSON survey which pictured former premier Yi Hoe-chang and ruling party chairman Kim Yun-hwan as promising candidates against Kim Tae-chung and Kim Chong-pil in the next presidential election, Yi Won-chong, senior presidential secretary for political affairs, said, "It is my firm belief that mass media will do anything if there is money in it. I put no credence in such surveys."

Chongwadae officials, in particular, questioned the CHOSON ILBO's real intention of promoting the political star of Kim Yun-hwan, former managing editor of the vernacular daily. The CHOSON ILBO is the publisher of the monthly.

According to the results of mock presidential contests in the October issue of the monthly, Yi Hoe-chang, who resigned as prime minister in 1994 in a power feud with president Kim Yong-sam, is the most likely candidate to beat Kim Tae-chung, the leader of the largest opposition National Congress for New Politics [NCNP], and Kim Chong-pil, president of the conservative United Liberal Democrats.

The simulation shows that Yi, if he ran on the ticket of the ruling Democratic Liberal Party [DLP], would easily win the contest with 32.1 percent of the votes over Kim Tae-chung, who would garner only 20.2 percent, and Kim Chong-pil who would follow with 13.7 percent.

It also shows that DLP chairman Kim Yun-hwan could win by a slight margin over first runner-up Kim Tae-chung. In the survey, the DLP chairman was seen winning 26.8 percent of the votes, followed by Kim Tae-chung (26.6 percent) and Kim Chong-pil (16.3 percent).

Other political bigshots in the DLP are no match for Kim Tae- chung, according to the survey results.

If Vice National Assembly Speaker Yi Han-tong, a self-claimed leader of the metropolitan Seoul and Kyonggi region, ran on the DLP ticket, he would be defeated by Kim Tae-chung, only winning 18.3 percent as compared with Kim's 26.6 percent. Yi, in this scenario, Yi would slightly lead Kim Chong-pil (15.8 percent).

Rep. Choe Hyong-u, President Kim's right-hand man who leads the minority reformist Minju faction in the DLP, would finish third with only 16.4 percent, behind Kim Tae-chung (25.9 percent) and Kim Chong-pil (17.1 percent).

The mock-up also paints a bleak picture for Rep. Kim Tok-yong, another confidante of President Kim and an alleged front runner in the next generation of politicians.

Rep. Kim won a meager 15.4 percent behind Kim Tae-chung (24 percent) and Kim Chong-pil (17.6 percent).

Meanwhile, WIN, monthly published by the vernacular CHUNGANG Daily News, disclosed in its October issue the results of its popularity polls on the politicians representing different regions.

Pak Chan-chong is the undisputable leader of the metropolitan Seoul region, winning the support of 72.2 percent of 870 pollees.

Next to Pak in the popularity ratings was Seoul Mayor Cho Sun (67.1 percent), who was trailed by Rep. Hong Sa-tok (20.1 percent, and Rep. Yi Chong-chan (18 percent), Kyonggi Gov. Yi In-che (15 percent) and Yi Hoe-chang (14.7 percent).

Kim Yun-hwan topped the popularity poll in the Taegu-Kyongsang- puk-to region with 47.5 percent, followed by Taegu Mayor Mun Hui-kap (44.6 percent), Pak Chol-on (41.6 percent) and Rep. Chong Ho-yong (33.7 percent).

No Mu-hyon is the most popular politician, winning the support of 83.5 percent of surveyees, in the Pusan-Kyongsangnam-to region, almost double the 48.5 percent of Pusan Mayor Mun Chong-su who defeated the opposition politician in the June 27 mayoral election.

Choe Hyong-u was placed a distant third with 26.8 percent and opposition Democratic Party advisor Yi Ki-taek fifth with 20.6 percent.

Chungchongnam-to Gov. Sim Tae-pyong and Rep. Sin Ki-ha, the NCNP's floor leader, are most popular in the Taejon-Chungchong region and the Kwangju-Cholla area, respectively.

Nationwide, President Kim was found to be the most popular politician, winning 45.6 percent. He was trailed by Kim Tae-chung (44.9 percent), Kim Chong-pil (20.9 percent), Pak Chan-chong (10.5 percent), Cho Sun (4.9 percent), Yi Hoe-chang (2.2 percent) and Kim Yun-hwan (1.9 percent), the WIN survey revealed.

Burma

SLORC, Suu Kyi 'Might' Reach Compromise

BK1709141595 (Internet) BurmaNet News in English 14 Sep 95

[FBIS Transcribed Text] Muangmai, 8 September 1995 — A call from Rangoon has told S.H.A.N [Shan Herald Agency News] that the next round of the National Convention due to resume on 24 October might result in a compromise between SLORC [State Law and Order Restoration Council], and the NLD [National League for Democracy] led by the Nobel Peace prize winner Aung San Suu Kyi.

The caller, who demanded anonymity, said "It is no secret that the SLORC and ASSK [Aung San Suu Kyi] have been negotiating. Of course, I don't mean every member of the military junta is happy about the latest development. But if everything turns out all right, there will be good news for all before 24 October." He however, refused elaboration. He even refused to name the particular members of the SLORC team who are cooperating with the NLD although Gen Than Shwe, who is reputed to be a good professional soldier and a devout practising Buddhist, is suspected among a few others.

Though many are fond to be elated by the turn of events, some are openly skeptical. "There is a saying in Lahu: the clever pig allows the pig to dig and scoop the earth until it becomes soft, then he barks the pig away and lies down there" one said. "I fear Ms Suu Kyi may be allowed to straighten out all the troubles the military has caused only to find everything under its controls again afterwards."

Some of the officers in the Muang Tai Army which is undergoing several reforms after being taken control of by a group led by Gunjade, is also worried. "Time is getting rather short for us. If we cannot make up with all different groups in time, I'm afraid we shall have to make do with whatever the Burmese want to hand out to our people. On the other hand, if we can come to terms with each other, the Burmese shall have to give back whatever is rightly ours."

The Central Executive Committee of the Shan State Restoration Council in the meanwhile is in a desperate position to win back its mutineers led by Major Karnyord. "At all costs," one said.

Five ABSDF Members Surrender in Kyunzu

BK1809125595 Rangoon MYANMAR ALIN in Burmese 10 Sep 95 p 11

[FBIS Translated Text] Members of armed groups in the jungle have become disgusted with their wrongdoings and are returning to the legal fold bringing their arms and ammunition to various military camps.

Five ABSDF [All Burma Students' Democratic Front] terrorists — Squadron Leader Kyi Lwin, Privates Than Niang, Kyaw Naing alias Tun Naing, Than Win alias Hla Naing, and Myint Soe — of Regiment-203 of Moe Thee Zun group returned to the legal fold at Tenasserim Naval Region Command Headquarters in Kyunzu at 1100 on 26 August.

They brought in five AK-47s, six magazines, 584 rounds of ammunition, and two Chinese-made communication sets.

Clash Reported Between Soldiers, Karennis

BK1609122495 Bangkok BANGKOK POST in English 16 Sep 95 p 6

[FBIS Transcribed Text] Mae Hong Son—Two Burmese soldiers were killed in a skirmish with Karenni National Progressive Party [KNPP] troops on Thursday.

The incident took place across the border from Ban Na Hua Laem in Tambon Mae Ngao, Khun Yuam district.

The fighting started when 20 soldiers from Government Battalion 261 spotted 30 KNPP men on patrol, official Thai sources said.

About 20 minutes later the two Burmese soldiers were dead. No report was available about rebel casualties.

On the same day Government and KNPP troops nearby exchanged fire for about 30 minutes. There were no reports of casualties.

The two incidents prompted Thailand to warn both sides not to intrude onto its soil.

Rangoon Radio Reports Surrender of 31 Rebels

BK1909151595 Rangoon Radio Myanmar in Burmese 1330 GMT 19 Sep 95

[FBIS Translated Text] Members of armed groups from the jungles, who have come to realize that their destructive activities were wrong and who have accepted the genuine goodwill and work undertaken by the State Law and Order Restoration Council [SLORC], have given up their armed struggle and are now continuously surrendering with their arms and ammunitions at various military camps.

Altogether 31 rebels surrendered during 1-11 August. They were warmly welcomed by responsible personnel at the various camps and given necessary assistance.

NCGUB's Sein Win Views SLORC Performance

BK1909061695 London BBC in Burmese to Burma 1345 GMT 18 Sep 95

[Report on unidentified announcer's interview with U Sein Win, leader of the exiled National Coalition Government of the Union of Burma in Washington D. C. "on the performance of the Burmese military government during the course of seven years"; from the "Current World Affairs" program]

[FBIS Translated Text] [Begin recording] [U Sein Win] In reviewing the performance of the SLORC [State Law and Order Restoration Council] on the seventh anniversary [of the 1988 military coup], we understand that the SLORC claimed they seized power to control the then-prevailing situation with an intention of returning state power to the people. Up to now, power is still not in the hands of the people. This is how we view it. The military seized power and held elections in 1990 in which the National League for Democracy [NLD] won. Yet, power was not returned to the people. This is not a good tradition for the Defense Services and it appears clearly to the nation and the world that the SLORC has failed to carry out its pledge. It has now become necessary for the Defense Services to keep its pledge.

[Announcer] Regarding the SLORC government's claim on growing international investment and economic enterprises in Burma, U Sein Win comments as follows:

[U Sein Win] The SLORC claims that foreign investment is flowing in, citing the construction of hotels and highways. Although these are being cited as signs of development, the country will only progress and its long-term development ensured when the people become rich and free and are able to participate. At present, the people are very poor. So, what is our task today? We should not continue with the past mistakes, but follow the policy of national reconciliation as stated by Daw Aung San Suu Kyi and make serious efforts to find political solutions to problems.

[Announcer] In response to my question whether the SLORC government signing of cease-fire agreements with many ethnic insurgent groups is an achievement in building internal peace, U Sein Win says:

[U Sein Win] Cease-fire simply means the suspension of fighting. It is not peace. Peace means finding a political solution between the two parties after thrashing out their differences. There is a cease-fire at present but it can be revoked any time. For instance, there is fighting going on with the KNPP [Karenni National Progressive Party]. Fighting resumed after the SLORC violated the cease-fire agreement one or two months after it was signed. [end recording]

Offshore Yetagun Natural Gas Project Viewed

BK1609163495 Rangoon THE NEW LIGHT OF MYANMAR in English 13 Sep 95 p 3

[FBIS Transcribed Text] An agreement to work the Yetagun Natural Gas Field, on a production sharing basis, was signed between the Myanmar [Burma] Oil and Gas Enterprise and the Premier Oil Company of Britain on 3 May 1990. The Yetagun Natural Gas Field is in Block No M-13 and M-14, at 11 degree North Latitude and 96 degree East Longitude, off the Tenasserim Coast. Later on Texaco Company of USA and Nippon Oil Company of Japan joined in. Texaco will act as the Operator. The National Gas Field is 130 miles west of the town of Mergui.

The estimated capacity of the Gas Field is 1.2 trillion cubic feet of natural gas and 26 million barrels of light crude, or Condensate.

Negotiations are in progress with the PTT [Petroleum Authority of Thailand] of Thailand for sale of gas from Yetagun Field to Thailand on the same lines as the proposed sale of gas from Yadana to Thailand, agreed to earlier. A 20-inch pipe is to be laid from Yetagun Field for about 200 km [kilometers] under the sea to join the pipe-line from Yadana Field on the coast. On land, the two pipe lines will run parallel to the Thai border for 63 km.

The Yetagun Field will produce 200 million cubic feet of gas a day for 20 years. 200 million cubic feet of gas a day will produce over 7000 barrels of light crude.

Investment required to develop the Yetagun Field including laying of pipe line will be about US $520 million and it will take three years to develop the Field. Endeavours are being made to make the first supply of gas by mid-1998, simultaneously with supplies from Yadana Field.

Home use of gas from Yadana Field [Subhead]

A plan in three parts is being formulated for the use of gas produced from Yadana Field at home. The cost is estimated at 600 million US dollars. Of the 125 million cubic feet of gas that will be available for home use, 20 million cubic feet will be utilised to operate a 65-megawatt gas turbine in Kanbauk area on Tenasserim Coast for regional development projects. Power generated will be distributed to Tenasserim Division, Mon State and Kayin State.

The three parts of the home utilization plan are — 1. Laying a 140 km [kilometers] pipe line from Yadana Gas Field to Yangon.

2. To build a 1758-ton capacity a day urea plant.

3. To build a 200 megawatt gas turbine to generate electricity.

The Ministry of Energy is successfully entering into contracts with national and foreign investors in development of energy sector. At the present moment, seven off shore blocks are being worked and endeavours are being made to work the rest of the working blocks too.

Working blocks now being worked are — Total (France) PTTPI (Thailand) Unocal (USA) — M-5, M-6, Texaco (USA) Premier (Britain) Nippon Oil (Japan) — M-12, M-13, M-14 Texaco (USA) — M-10 Arco (USA) — M-9

Brunei, Malaysia & Singapore

Malaysia

Australian Defense Force Chief Visits

BK1809065995 Kuala Lumpur RTM Television Network 1 in Malay 0530 GMT 18 Sep 95

[FBIS Translated Text] General John Baker, chief of the Australian Defense Force, who is on an official visit to Malaysia, paid a courtesy call on Defense Minister Datuk Syed Hamid Albar at the Ministry of Defense on Rifle Range Road this morning. Upon arrival at the ministry, Gen. John Baker was welcomed by Gen. Tan Sri Ismail Omar, commander in chief of the armed forces, and several senior military officers. Moments later, accompanied by Gen. Tan Sri Ismail Omar, Gen. John Baker paid a courtesy call on Defense Minister Datuk Syed Hamid Albar. They held closed-door talks in the defense minister's office for almost an hour.

Gen. John Baker later paid a courtesy call and held talks with the armed forces commander in chief at the latter's office.

The Australian Defense Forces chief is paying the two-day visit to enhance military cooperation between the two countries. He is scheduled to visit Penang tomorrow before returning home.

Visa Exemption Accord Signed With Bosnia

BK1609121395 Kuala Lumpur Voice of Malaysia in English 0810 GMT 16 Sep 95

[Station commentary]

[FBIS Transcribed Text] The signing of a partial visa abolition agreement between Malaysia and Bosnia-Herzegovina yesterday in Kuala Lumpur has been described as timely in the light of the establishment of the Assistance Mobilization Group, AMG, for the Balkan state. The AMG—one of the 18 declarations made by a special four-day meeting of the Organization of Islamic Conference, OIC, Contact Group and troop-contributing countries to the UNPROFOR [United Nations Protection Force], which ended here Thursday [14 September]—will mobilize humanitarian, economic, and military assistance to Bosnia-Herzegovina. The agreement was signed by Foreign Minister Datuk Abdullah Ahmad Badawi and his Bosnian counterpart Mr. Muhamed Sacirbey.

The agreement will not only encourage more travels between the two countries, but it will also enable Malaysia to play a more active role in the ongoing peace process and the reconstruction of the war-shattered Balkan state in accordance with the formation of the AMG. The agreement will provide a facility for whatever activity that both countries have at the moment.

Another agreement: Malaysians and Bosnians need not apply for a visa for social visits of less than a month and for the other [word indistinct] visit of not more than three months. With this agreement, Malaysia will certainly be involved more actively in Bosnia, as it is Kuala Lumpur's hope and aspiration to assist in its reconstruction.

Even though there is no doubt that Malaysia has been helping the Bosnians in many ways at the moment, but it believes it can be more helpful in our program which is of benefit to Bosnia, such as in human resource development. Apart from that, Malaysia is also keen to see its businessmen venturing into whatever economic activities that may be available in Bosnia in the future.

Toward this end, Bosnia is of the opinion that the agreement reflects the growing friendship and cooperation between the two governments. It is also [word indistinct] and acknowledging that Malaysia is really a global factor when it comes to its economic and political authority. As such, Bosnia has insisted that Malaysia plays an increasing role in the reconstruction and future development of the country.

In order to achieve this, Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed hopes that the Bosnian Government will pull all its resources available at its disposal toward ensuring complete peace. This is because more needs to be done to reach successful negotiation, although several successes achieved so far have provided breathing space to the Bosnians. Toward this end, the OIC can play a role in uplifting the image of Islam so that Muslim countries can get the respect of the Western world. Malaysia, on its part, stands committed to continue to play an active role in the OIC.

Mahathir Against Trade-Social Standards Link

BK1909083595 Kuala Lumpur RTM Television Network 3 in Malay 0530 GMT 19 Sep 95

[FBIS Translated Text] Kuala Lumpur is concerned over the attempt of developed nations to link world trade policies with social standards. Prime Minister Datuk Sri Dr. Mahathir Mohamed has described the action as being incompatible with fair trade competition.

[Begin recording] [Unidentified reporter, in progress] Datuk Sri Dr. Mahathir was inaugurating the 68th congress of the Cereal Entrepreneurs Association in the nation's capital. The six-day congress is being attended by some 200 domestic and foreign vegetable oil businessmen. He urged those involved in the industry to join in promoting research to remain efficient and competitive. Datuk Sri Dr. Mahathir expressed Malaysia's concern over the attempt to link world trade with labor and social policies. He described the attempt as a hidden restriction to curb exports from developing nations.

[Mahathir in English, in progress] It will in fact further impoverish the already poor and prevent them from achieving the very social reforms which such conditionalities were supposed to bring about. We should free ourselves from the need to hide behind such spurious tactics in their attempt to counter fair competition. We should shake off this negativity and be prepared to open up our countries to international trade within the agreed rules designed for fair competition. [end recording]

Mahathir Warns TV Stations of Responsibilities

BK1909100695 Kuala Lumpur THE STAR in English 18 Sep 95

[Report by Mergawati Zulfakar — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — The Government will revoke the licence of television stations which stress more on profits and neglect social and national responsibilities.

Prime Minister Datuk Sri Dr. Mahathir Mohamed in issuing the warning said the Government had a responsibility in broadcast control to avoid negative effects on society. "All television stations have their social and national responsibilities to the society and country which should override profitability.

"Although the West criticises us for controlling television broadcast, we don't care about their opinions. There is no absolute freedom anywhere including the West," he said when launching the country's second private television station, MetroVision, here last night.

Dr. Mahathir said increasing competition among the four stations might result in violent and sex programmes being aired as the operators would be more profit-oriented and forget their social responsibilities.

"I hope the stations will not take the easy way out to make profits because the country will stand to lose if we have ill-informed citizens who prefer TV solely for entertainment," he said.

He said although quality television programmes were difficult to obtain, it was not impossible to find or produce them.

"It is true the main objective of TV was to provide entertainment but it can also be constructive if selected carefully," Dr. Mahathir said.

Meanwhile, City Television Sdn Bhd [company limited] chairman Tuanku Abdullah Tuanku Abdul Rahman hoped the Government would not be too strict in implementing its policies especially censorship.

He said TV3 and MetroVision faced strict censorship from the Home Ministry unlike TV1 and TV2 which had "a little understanding" from Information Ministry.

"What worries us, however, is that this double standard is not giving fair competition.

"What is a little kiss here and there especially between married couples. This will be more serious with the onslaught of cable and satellite TV."

He suggested that guidelines be given to all networks for them to make the necessary censorship.

Melewar Corporation holds 50 per cent equity in the company and the Utusan Group holds 30 per cent, while Medanmas Sdn Bhd and Diversified Systems Sdn Bhd hold 10 per cent each.

Paper Surveys Country's Economic Development

MS1909093495 London FINANCIAL TIMES in English 19 Sep 95 p 1

[Report by Kieran Cooke, incorporating remarks by Dr Mahathir bin Mohamed, Malaysian prime minister: "Mahathir Takes The Economic High Road"; from the FINANCIAL TIMES' Survey on Malaysia]

[FBIS Transcribed Text] Anyone arriving in Malaysia cannot help but be impressed by the sheer scale of economic activity and development evident in virtually every corner of the country. Kuala Lumpur, not so long ago a charming but sleepy capital, has been transformed: skyscrapers dominate the scene. The city's roads are clogged with Malaysian-made Proton cars.

Many parts of the country resemble one big building site. Highways, airports and ports are being constructed, along with new power plants. In the remote jungles of Sarawak in East Malaysia a M$15bn [15 trillion Malasyian Dollars] hydroelectric scheme is under way. The earthmovers have already begun work on the site of a new M$20bn administrative headquarters south of Kuala Lumpur.

In the world's fastest-growing region, Malaysia leads the field. The economy has expanded by more than 8 per cent in each of the last seven years. Growth in the first half of 1995 was 9.6 per cent. Per capita incomes have risen to $3,500 from only $350 in 1970.

Ten years ago Malaysia was in recession. As part of the battle against unemployment, the government extended university courses from three to four years. Recently the policy was reversed: there are now severe labour shortages in most sectors of the economy.

Dr Mahathir bin Mohamed, prime minister since 1981, is seen by many as the architect of Malaysia's economic transformation. The prime minister's influence stretches into most areas of the nation's life.

Dr Mahathir, 69, bolstered by a landslide win for his National Front coalition in a general election earlier this year, shows little sign of retiring.

Economic success has given birth to confidence and optimism. Any questioning of either the content or direction of Malaysia's economic policies is met with a firm response from the Malaysian leader. Dr Mahathir senses a western conspiracy: the developed world is jealous of the success of developing countries such as Malaysia.

By discussing workers' rights or removing Malaysia from preferential trading arrangements, western countries are out to undermine Malaysia's economic achievements. "Their objective is transparent" says Dr Mahathir. "They do not wish developing countries to continue to be competitive."

Dr Mahathir has no doubt that the present pace of economic growth can be sustained in order to achieve the goal of full industrialisation by the year 2020. Others are less optimistic. While Malaysia seems to have achieved the holy grail of economic planning — high growth with low inflation — there are now clear signs of overheating.

Inflation, officially put at under 4 per cent, does not reflect price surges in many areas. Senior bankers are concerned about a seriously overblown property sector. Consumer spending is charging ahead: in the first six months of 1995 vehicle sales went up by more than 50 per cent.

The government's willingness to rein in the economy is questionable: people have become used to high growth. In the present heady atmosphere even a slight downturn could cause a crisis of confidence.

A number of multi-billion dollar infrastructure projects are at present under way, in many cases funded by the private sector. Some of these projects are designed to relieve economic bottlenecks. Critics charge that others, such as a new city centre being built in Kuala Lumpur which will include the world's two tallest office towers, are evidence of dangerous official hubris.

"I am seriously worried about what will happen in 1998, when most of these projects are due for completion," says a local economist. "They are largely responsible for keeping the economic balloon flying. It will be a nasty shock when it lands."

Imports of capital goods associated with various infrastructure projects are partly to blame for a current account deficit which increased to M$11.6bn last year, or 6.6 per cent of GNP. But a 32 per cent rise in merchandise imports last year — the biggest increase since 1988 — has added to the problem. Economists predict the deficit could amount to as much as 8 per cent of GNP by the end of the year.

There are also worries about a growing disparity between wage rate increases and productivity. Wages in the manufacturing sector have been going up by between 10 and 15 per cent a year: wage rises in the services sector have been considerably steeper.

No one is suggesting that Malaysia is about to go the way of Mexico. Malaysia's external debt is relatively small, equivalent to under 5 per cent of gross exports. Malaysia's savings rate is a healthy 34 per cent of GNP.

Foreign investors are still interested in Malaysia. Increasing wage bills and labour problems are unlikely to force the wholesale shifting of multinational plants to other locations. But those planning expansion schemes are looking more to neighbouring countries, notably Indonesia and Vietnam.

More than M$200bn of private investment, about 65 per cent of it from overseas, was ploughed into Malaysia between 1991 and 1995. If growth plans are to be realised it is calculated that another M$350bn of funds from the private sector will be needed before the end of the century.

Whether or not those funds are forthcoming depends largely on Malaysia's ability to enter a new phase of industrialisation. In recent years the economy has been transformed from one based almost entirely on commodities to one driven by manufacturing exports. Last year manufactured tools accounted for 78 per cent of the total value of exports.

With its labour shortages and rising wage rates, Malaysia has no choice but to ascend the technology ladder. "We no longer want labour-intensive industries," says Mrs Rafidah Aziz, the trade and industry minister. "We tell companies who want cheap labour they should go elsewhere."

The central problem is that the Malaysian economy has relatively little depth. Manufacturing exports are still dominated by foreign multinationals, particularly in electronics.

Exports of many manufactured goods have a high import content — more than 50 per cent in the electronics sector. Research and development spending is low. Some linkages have been made with the domestic economy but at this stage in their development, South Korea and Taiwan were nurturing their own future multinationals, which are now taking on the world in everything from electronics to shipbuilding. That is not happening in Malaysia. Proton, the manufacturer of the national car, is exporting its products but doubts persist about whether they can be competitive in a world market.

The education system has failed to keep pace with the country's growth and there is a chronic lack of skills in the workforce. It is estimated that there are 1.5m legal and illegal immigrant workers now in Malaysia — out of a total workforce of 8m. Most of those are unskilled labourers from Indonesia or Bangladesh, and maids from the Philippines. But growing numbers of engineers and technicians are having to be recruited from overseas.

The government is aware that such large numbers of immigrant workers could result in long-term social problems and upset the country's delicate racial and religious balance. But, for now, there is no alternative.

There is little room for dissent in Dr Mahathir's Malaysia. But there are sections of the population who are not happy with government policies. Some are breathless at the sheer pace of change. Moslem groups say Dr Mahathir's administration pays too much attention to economic statistics and not enough to spiritual development. Within Dr Mahathir's own majority Moslem Malay community the forced takeover of land for government development projects has become a big issue.

The country's new business moguls, many with close connections to senior government figures, are accused of riding roughshod over people's rights in their pursuit of wealth. Government share handouts designed to give more corporate power to the Malay community — have been seen to have been abused.

There have been allegations that some in the business world have tried to manipulate the legal system: an established legal framework has been one of the key elements in Malaysia's continuing attractiveness to foreign investors. There is a lack of transparency in many areas: reports into alleged political or corporate misdemeanours, or on environmental issues, are rarely made public.

The government dismisses such criticisms, confident in its economic achievements. "Malaysia is developing so rapidly that it has been recognised by international organisations as a model for developing countries," says Dr Mahathir. "We are not bragging: this is the reality and every Malaysian can take pride in the success and achievements of the country."

UMNO Members Detained, Under Investigation

BK1909093695 Kuala Lumpur THE STAR in English 19 Sep 95

[Report by Lourdes Charles — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — Four people, including two deputy Umno [United Malays National Organization] division chairmen, were arrested under the Internal Security Act (ISA) in Kota Kinabalu and Tawau yesterday.

The two Umno leaders are Tanjung Aru division deputy chairman Jabar Khan and Tawau division deputy head A. Bandy Pilo.

The other two have been identified as Sherdali Mohamed Ali and Jibol Jungay.

Bukit Aman's [federal police headquarters] public relations chief Superintendent Ghazali Mohamed Amin confirmed the arrests.

"The four were arrested under the ISA and they will be detained for further investigations," he said, adding police could not divulge more information as it could jeopardise investigations.

It is learnt that the four were flown out from Sabah yesterday to the Federal Police headquarters here.

Their arrest is believed to be related to the earlier detention of four others under the ISA, following police investigations into issuance of Malaysian identity cards to illegal immigrants.

The four arrested in July included Gaya Umno member Datu Akjan Datu Ali Mohamed and National Registration Department officer Kee Dzulkifli Kee Abdul Jaili.

The other two were self-employed Abdul Salam Mohamed Ibrahim and businessman Awang Haji Ghani alias Awang Rashid.

Akjan was detained on July 18 and the others on July 13.

All four are still under detention.

Cambodia

Army Said Behind Drug Trafficking From Laos

BK1909084995 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 18-19 Sep 95 pp 1, 5

[Report by Roza]

[FBIS Translated Text] Nguon Pen, first deputy governor of Stung Treng Province, has admitted that drugs have transited Stung Treng en route to Phnom Penh. He made this remark in front of Sar Kheng, deputy prime minister and interior minister, during the Interior Ministry's monthly meeting on the morning of 15 September.

The first deputy governor's reasons are that Stung Treng borders two Lao provinces and that Laos is an opium-producing country.

Mr. Pen affirmed that drugs have been secretly exported to Phnom Penh through Stung Treng by boats and aircraft protected by heavily armed soldiers. The planes transporting the drugs to Phnom Penh are not civilian but military ones. Stung Treng has civilian aircraft to transport civilian passengers and military aircraft to transport logistical supplies for the army.

Nguon Pen added that drug traffickers enjoy the strong support and protection of armed soldiers. The police have some suspicion a about what is happening, but dare not carry out investigations because the suspects are soldiers and are thereby untouchable to the police. Moreover, a drug investigation is a sensitive matter: if you find the drugs you are vindicated; if not, you can be accused of trying to smear other people's honor.

The deputy governor also complained that the police have only been able to monitor and sniff fom afar, being scared to hurt someone's feelings. So far, they have not dared to make any risky decisions. He added that armed units in Stung Treng have created many complications. For example, the MP [military police] do not respect anyone. They boast that they only obey the orders of the cosupreme commanders. Meanwhile, the 1st Military Region too is acting on its own. It keeps some of its operations secret even from the governor.

Nguon Pen affirmed that if the army, the police, and the MP cooperate with one another, it would be a very good thing. However, this is not happening in Stung Treng. Everyone thinks he is smarter than the others. So, no one really cares about anything. There have been cases which all of the services knew nothing about. They learned that a crime was committed only after the corpse had decomposed.

He maintained that he wanted cooperation but that he has not received an answer from any of these services. Mr. Pen bluntly accused the officers of the 1st Military Region of countless offenses, including encroachments on the jurisdiction of national authorities, such as signing for the closure of fishing concessions. As for the MP, he said, they have usurped the duty of the police, for instance, by imposing and receiving fines from boats and ships.

The first deputy governor of Stung Treng Province held that because the police and the MP are not on good terms with one another many crimes are committed in the province, and asked who can fight them if some of the crimes are committed by those in the army themselves?

Nation Takes 'Drastic' Measures To Fight Drugs

BK1909084795 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 18-19 Sep 95 p 5

[Statement by the Personal Secretariat of Prince Krompreah Norodom Ranariddh, first prime minister of the Royal Government of Cambodia]

[FBIS Translated Text] Prince Krompreah Norodom Ranariddh, first prime minister of the Royal Government of Cambodia [RGC], is honored to inform his esteemed and beloved compatriots about the antinarcotic measures taken by the RGC as follows:

1. The RGC and the two prime ministers are well aware of drug trafficking in Cambodia or the use of Cambodian territory as a transit route. The RGC has been alert to the flow of strictly prohibited drugs, their production, use, and trade on the land routes from neighboring countries and the so-called Golden Triangle region.

2. The RGC has closely cooperated with international organizations, such as the United Nations and Interpol, and with countries such as France and the United States in implementing measures aimed at ferreting out and apprehending criminals, seizing drugs, and sending them to the court for adjudication according to the laws in effect.

3. The RGC has already taken legal measures and has issued official orders to combat drug-related crimes.

His majesty the king signed a royal decree on 7 September spelling out drastic measures against drugs and establishing a body consisting of the two prime ministers; the cabinet of the Council of Ministers; the coministers of national defense; the coministers of the interior; the minister of economy and finance; the minister of foreign affairs and international cooperation; the minister of public health; the minister of education, youth, and sports; the minister of social welfare; and the governor general of the National Bank.

The RGC has already set up a secretariat and all its facilities with sufficient staff and equipment to fight these crimes.

4. Competent ministries concerned have been strictly carrying out their roles with appropriate results. Criminals and their accomplices are being apprehended and the court will fulfill its duty from the start to the finish.

Issued in Phnom Penh on 13 September 1995

ASEAN Membership Drive Said 'Big Challenge'

BK1909062795 Bangkok THE NATION in English 19 Sep 95 p A2

[Report by Marisa Chimpraha: "P. Penh views plan to join ASEAN as 'big challenge'"]

[FBIS Transcribed Text] Cambodia regards its determination to become ASEAN's eighth member as "a big challenge" as the country, which has been engaged in years of civil war, needs to adjust in many ways, Cambodia's Permanent Secretary for Foreign Affairs Chem Vithya said yesterday.

The foreign ministry and other authorities are working hard to prepare Cambodia to fully join the ASEAN grouping in two years, the time frame repeatedly mentioned by Foreign Minister Ing Huot.

"It is a big challenge for Cambodia to make a tremendous effort to enter ASEAN as a full member in 1997," Dr Chem Vithaya said in an interview with THE NATION.

At the ASEAN meeting in Brunei in July last year, Cambodia acceded to the founding principles of ASEAN and was allowed to join the grouping's observer status along with Laos. Ing Huot announced that the Khmer Rouge, which still operates guerrilla activities against Cambodia's legitimate government, was no longer a threat to regional stability but merely an internal problem which could be tackled within the next two years.

When ASEAN was founded some 27 years ago, Phnom Penh was busy with civil wars and long-term political conflicts. ASEAN groups Brunei, Malaysia, the Philippines, Singapore, Indonesia, Thailand and Vietnam.

Laos has also announced that it will be ready to be granted full membership in the same year, if preparations run smoothly. ASEAN is moving towards having all ten Southeast Asian countries in the forum, with Burma probably as an observer. Rangoon acceded to the ASEAN principles at the Brunei meeting.

Dr Chem Vithya said as part of the attempt to prepare the country for membership status, the foreign ministry was working on a draft for the structure of an ASEAN Department, which will be separated and upgraded from the existing Asian Affairs Department.

"According to the draft, there are only two officials handling all issues related to ASEAN, as Cambodia is still facing difficulties in human resources. In Mai is now interim director general for the department and works with one assistant," he said.

He said Cambodia was facing more difficulties than either Laos or Vietnam as they had enjoyed long periods of peace in their own political system.

"The foreign ministry will ask the government to allocate a budget for the new division in the next session of National Assembly, in 1996. Cambodia is still in need of development in human resources. We have sent our officials to other ASEAN countries to be trained in English and other subjects related to ASEAN," Chem Vithya said.

There will be four divisions, handling regional and senior foreign ministry officials' meetings, economic issues, functional cooperation and relations with ASEAN's dialogue partners. Each division will have a director and two deputies, therefore at least 12 officials will be needed, he said.

Assembly Chairman, Vice Chairman Plan Travel

BK1609154595 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 16 Sep 95 p 11

[Report by Kroesna]

[FBIS Translated Excerpt] Sources at the National Assembly say that His Excellency Loy Simchheang, National Assembly first vice chairman, will take a 13-day working visit to a number of countries from 17 to 29 September. [passage omitted on meeting of the Interparliamentary Union to be attended by Loy Simchheng]

After this meeting, Loy Simchheang will go on to visit Hungary and France.

The same sources also say that National Assembly Chairman Samdech Chea Sim will also pay official visits to Japan and Malaysia. These visits will be from

25 September to 4 October. The sources did not give details of these visits. [passage omitted recalling visit to Cambodia by the Malaysian Parliament speaker earlier this year]

Army Officers Caught Smuggling Fake U.S. Money

BK1909045195 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 9 Sep 95 pp 1, 3

[Report by Chau Prean]

[FBIS Translated Text] Police surrounded and apprehended three army officers and a civilian together with three automatic weapons at Phsa Daeum Kor ward on Thursday morning. The arrest was made as they were trying to smuggle U.S. $280,000 into Phnom Penh.

General Heng Peou, head of the Police Department's antinarcotics bureau, held a news conference after the successful operation against the attempt to introduce fake U.S. dollars into Phnom Penh on the morning of 7 September. He told journalists that the counterfeits were smuggled in from Koh Kong and was seized by the police at the parking lot of Phsa Daeum Kor market in Phsa Daeum Kor ward, Tuol Kouk quarter. Found in the suspects' vehicle — a Nissan pick-up with the license plate K.A. [Khmer Royal Armed Forces] 1209 — were 28 stacks of $50 and $100 notes with a total face value of U.S. $280,000. Along with the counterfeit money police also seized three automatic firearms; two AK-47's, and one M-79.

The four suspects were identified as Chan Khemarak alias Saroeun, male, 47, a brigadier general from the Khmer Royal Armed Forces General Staff's Logistics Department; Yim Chan-Vannak, male, 37, commander of the Navy; Kev Sorani, male, 30, a timber trader; and Uch China, male, 24, a captain from the 70th Brigade.

Gen. Heng Peou first tried not to answer questions raised by journalists on details of the above operation. Later, however, he said: "We used a lot of personnel in this operation...or else our forces might have encountered resistance from the well-armed suspects... Today's results were made possible thanks to months of dedicated investigation..."

He also stressed that this success did not mean that the smuggling of counterfeit money has been totally eradicated. It should be recognized that millions of couterfeit dollars have been brought into circulation in Cambodia. As a matter of fact, police in Poipet recently uncovered and smashed a scheme to smuggle $1 million. The antinarcotics bureau have also made several seizures of counterfeit notes worth $10,000 to $20,000 each.

Suspect Chan Khemarak alias Saroeun told journalists that his gang had received $500,000 in counterfeit dollars sent by boat from Thailand to a hotel in Koh Kong Province. He said his gang did not know the mastermind behind this operation. The gang's role was only to bring the fake dollars to Phnom Penh.

Contrary to this confession, a mixed commission set up to examine the evidence revealed that the total seizure amounted to only $280,000. Moreover, according to preliminary estimates, these notes were grade-one counterfeits printed in the black market in Germany for global circulation in 1990.

Heng Peou added that this issue will be very, very closely investigated. He believed that sooner or later the ringleader will be exposed.

This police official also asserted that normally the smuggling of counterfeit money goes hand in hand with the smuggling of narcotics and artifacts. In his personal experience, he believed that smashing one of them would also affect the other two illicit trades.

Continued 'National Salvation Struggle' Urged

BK1909070395 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 18 Sep 95

["News conference by Mak Ben, minister in charge of rural areas, agriculture, and water conservancy and representative of the Provisional Government of National Union and National Salvation," on 18 September; place not given — recorded]

[FBIS Translated Text] [Mak Ben] I would like to inform compatriots about the meeting held by the cabinet of the Provisional Government of National Union and National Salvation [PGNUNS] on 18 September as follows:

On 18 September, the cabinet examined the issue about our entire nation and people struggling resolutely to end the communist Vietnamese war so as to achieve peace, national reconciliation, and national accord within our territorial integrity.

The present war, kindled by the communist Vietnamese and two-heads, is the continuation of the war of aggression and genocide conducted by communist Vietnam since the end of 1978.

When they came to Cambodia, UNTAC [UN Transitional Authority in Cambodia] and the alliance also carried on the communist Vietnamese war. UNTAC and the alliance joined hands with communist Vietnam to destroy the Paris agreements, maintain communist Vietnam's aggressor forces, and preserve the communist

Vietnamese puppet regime for continuing the war of the communist Vietnamese. The two-headed government, after its birth as the out-and-out lackey of communist Vietnam and the alliance, has also carried on communist Vietnam's war.

The untold destruction in all aspects, and the consequences of the communist Vietnamese war, has greatly affected the survival of our nation and people. Destruction upon destruction has been caused by the communist Vietnamese, the communist Vietnamese puppets, UNTAC, the alliance, and the two-heads. They have conducted fascist acts constantly for the past 17 years. Countless numbers of soldiers and militiamen have been forcibly recruited and sent to fight and die in their place for the past 17 years. They have plundered everything in the past 17 years. Moreover, the four-million-plus ethnic Vietnamese have come to lord it over our people, plundering all our nation and people's land, water, rice, fish, meat, trees, and property. Our nation and people have been bled white.

Due to this misery, our nation and people have no other alternative but to struggle to put an end to the communist Vietnamese war of great destruction and genocide and to defend their lives and their rights to self-determination. The entire nation and people do not want Cambodia to vanish and become a second Kampuchea Kraom [ancient Cambodian territory lost to Vietnam in the 17th century]. The entire nation and people have thus risen up to struggle against the communist Vietnamese war. They have fought in the countryside, in Phnom Penh, and abroad. In the countryside, our people everywhere are opposing the communist Vietnamese war. In the countryside, seven million peasants are opposing the war. Peasants are the very dynamic forces fighting in the communist Vietnamese war. The peasants have kept their children and husbands from being recruited as soldiers and militiamen. They have done everything they can to contribute to ending the communist Vietnamese war.

Meanwhile, people in Phnom Penh, pupils, students, journalists, civil servants, workers, traders, and political figures all oppose the communist Vietnamese war, corruption, fascist acts, and the permission given to the ethnic Vietnamese to come to annex Cambodia. They oppose the two-heads for betraying and selling out our nation to communist Vietnam and the foreigners who think only of waging war to massacre the Cambodian nation and people.

The Cambodian compatriots living abroad with a sense of responsibility for the fate of our nation and people have also struggled to end the war. They want to return home and stay here forever.

Thanks to the valiant, arduous, and persistent and concerted struggle of our entire nation and people in the countryside, in Phnom Penh, and abroad, our Cambodia has been able to stand firm as a nation and a people responsible for the rights to self-determination and has been able to defend their survival until today. As for the two-headed regime — the out-and-out lackey and war tool of the communist Vietnamese and alliance — it has collapsed in all aspects and all fields, militarily, politically, economically, financially, and socially. It has also suffered from internal rifts.

The two-heads have no money, not even a cent, or a grain of rice. They have gone everywhere to beg for money and food like a stray dog. They have even collected small coins from dishonest companies and traders for the war. However, these dishonest companies and traders would take back one thousand riel for every riel that they gave them. This clearly shows that the two-heads are now exhausted and that they will continue to suffer even more. For 17 years now, their masters — the communist Vietnamese and alliance — have failed to salvage the two-heads. No matter how hard they try, the communist Vietnamese and alliance bosses will never be able to save them.

The national salvation struggle waged by the Cambodian nation and people has contributed to defending peace, security, and stability in this region and the whole world. The peace-loving people across the world admire the heroism of our Cambodian nation and people — a small country which dares to fight and has been able to fight and defend its nation, people, and race.

The National Union Party and PGNUNS firmly support and pledge to join the entire nation and people in this persistent struggle. We will keep on fighting to put a permanent end to the communist Vietnamese war. This is also to realize genuine national reconciliation, national accord, and peace.

The PGNUNS continues to stand firmly and unswervingly on its sacred political program, that is:

1. To achieve national reconciliation, national accord, and national reunification with the participation of the forces of all political tendencies regardless of their past, so as to have sufficient national forces to resolve all national and social problems, which are deteriorating even more seriously.

2. To join hands with all national forces so as to have enough strength to end the ongoing war of the aggressor communist Vietnamese. This is also to solve the presence of the four million-plus ethnic Vietnamese, an immense threat to the survival of our entire Cambodian nation, people, and race.

These are the main contents of the 18 September meeting of the PGNUNS cabinet that I would like to convey to compatriots.

[Correspondent] Thank you, Excellency. I, the representative of the PGNUNS radio, wish to ask the following question: Formerly, the alliance had its own [puppet] forces, but it has now lost all these forces. What is the cause of this?

[Mak Ben] The communist Vietnamese have cheated and taken everything belonging to the alliance, its money and then smashing its forces. The two-headed regime exists only in name. As a matter of fact, it has only one head, that is the pure communist Vietnamese head. The communist Vietnamese are very dictatorial and fascist. Presently, the alliance has lost both money and strength. When the National United Front for an Independent, Peaceful, and Cooperative Cambodia [FUNCINPEC] Party and para [noncommunist resistance groups] forces were with Democratic Kampuchea, the alliance had strength. However, when these FUNCINPEC and para forces turned to join the communist Vietnamese and communist Vietnamese puppets, they were ordered to attack Democratic Kampuchea and the national and people's resistance forces. Also, using every means available, the communist Vietnamese and their puppets, have smashed countless numbers of these forces. In such a situation, will the alliance continue on its old path of brownnosing the communist Vietnamese and kindling the communist Vietnamese war or will it take a new road and put an end to the communist Vietnamese war and achieve national reconciliation and peace?

Past lessons show that ending the war and achieving national reconciliation and peace will be beneficial to all, to the Cambodian nation, people, and race and to all peoples and countries across the world, including Western people and countries.

I recall from the history of our country and elsewhere and from World War II that the aggressors and the fascists cannot do everything they like. The decisive factor rests upon the struggle waged by the victimized nations and people. The Cambodian nation and people have chosen to struggle and they have been able to struggle successfully for 16 to 17 years now. We are confident that our national forces and Cambodian people will be able to fight and end the communist Vietnamese war and achieve genuine national reconciliation, national accord, and peace.

[Correspondent] Thank you, Excellency.

Indonesia

Suharto Concerned About APEC Trade Disputes

BK1809125795 Jakarta KOMPAS in Indonesian 16 Sep 95 p 6

[FBIS Translated Text] Jakarta, KOMPAS — President Suharto has stressed that it is imperative to take concrete measures to effectively implement the Bogor Declaration because it contains comprehensive points. He also stressed the need for APEC [Asia Pacific Economic Cooperation] member countries to refrain from having any trade disputes. The APEC's EPG (Eminent Persons Group) feels that trade disputes among APEC members have reached a worrisome level. The EPG has proposed establishing a body to provide dispute mediation service.

Minister and State Secretary Murdiono, and Professor Suhadi Mangkusuwondo, Indonesia's representative to the EPG, said this to journalists after meeting with President Suharto at Merdeka Presidential Palace, in Jakarta on Friday 15 September. Suhadi reported to President Suharto on EPG's proposals for further actions following the APEC forum.

Suhadi said the EPG member from the United States, Bergsten, had informed Japanese Prime Minister Tomiichi Murayama, APEC chairman 1995, about the proposal on 30 August 1995. Murayama welcomed the proposal and considered its input valuable. He said that all of the proposals submitted by the EPG were programs of action to support the third AELM [APEC Economic Leaders Meeting] to be held in Osaka on 19 November.

Appreciation

Murdiono said that President Suharto appreciates the proposals made by the EPG, especially in evaluating the forum's progress, giving suggestions for further action, and linking APEC to other regional groupings such as ASEAN, AFTA [ASEAN Free Trade Area], NAFTA [North American Free Trade Agreement], and CER [Australian-New Zealand Closer Economic Relations].

Noting the development of relations among APEC member countries, President Suharto has stressed that as much as possible, none of them should be involved in trade disputes. However, if the dispute cannot be avoided, Suharto suggested that it should be settled properly. Murdiono said at the first AELM that was held in Seattle in November 1993, President Suharto said that trade disputes among APEC members should not negatively affect other nations.

President Suharto also stressed that all APEC members should take concrete measures to implement the Bogor

Declaration adopted at the AELM II meeting in Bogor in November 1994. This is an important measure because the Bogor Declaration contains comprehensive points, including the accord on the implementation of free trade and investment by the year 2020 for developing countries and 2010 for developed countries.

Suhadi has noted a development in APEC that is worrying the EPG and that is the rising frequency of trade disputes among countries in the Asia-Pacific region, particularly among APEC members. "Obviously, such a situation will not support cooperation among APEC members," he said.

He says the disputes are getting worse and in fact, some countries have the tendency to take unilateral action and ignore existing multilateral rules of the game. He stresses that this is not good because EPG wants all APEC members to reach an accord on more trade and investment rules.

The EPG has proposed establishing a dispute mediation service body to oversee trade disputes and provide mediation services should there be any trade disputes among APEC members. The services are meant to supplement the existing mechanism of the World Trade Organization. However, the services are not arbitrary in nature but are meant to seek a solution acceptable to the two disputing sides, without finding out who is wrong or right. [passage omitted on EPG's program of action]

U.S. Admiral Owens, Others Meet With Suharto

BK1909081395 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 19 Sep 95

[FBIS Translated Excerpt] Before opening the Asia-Pacific Genetic Medicine Conference at Jakarta's State Palace today, President Suharto received a courtesy call from the Malaysian minister of international trade and industry. Correspondent Joko Saksono reports:

[Saksono] Mien Sugandhi, state minister for women's affairs, reported to President Suharto today on the fourth Nonaligned Movement ministerial meeting on the role of women in development, that was held in Beijing on 1 September. [passage omitted]

Before meeting Mien Sugandhi, President Suharto received a courtesy call from Rafidah Aziz, Malaysian minister of international trade and industry, who discussed ASEAN free trade and the two countries' preparations to handle the coming era of global trade.

Meanwhile, at the Bina Graha presidential office, President Suharto received a courtesy call from Indonesian ambassadors- designate who will soon assume their posts and from Admiral William Owens, deputy chief of the U.S. Joint Chiefs of Staff.

Speaking to reporters later, Admiral Owens expressed the desire of the U.S. Armed Forces to foster closer cooperation with the Armed Forces of the Republic of Indonesia [ABRI]. Commenting on Indonesia's possible purchase of F-16 planes, Admiral Owens jokingly asked how many Indonesia wants:

[Begin recording] [Unidentified reporter, in English] How many can you sell?

[Owens, in English] How many do you want? [laughter] Well, as you know, the Pakistani Government has 28 F-16's. They are A and B models and those airplanes might be available, but other alternatives also exist. The United States has new F-16's that are also available, but I would leave that to the Air Force briefing team, and again, this is a matter that can be resolved, I think, between your military and this Air Force briefing team. [end recording]

[Saksono] In this connection, ABRI Commander General Feisal Tanjung told reporters that Indonesia currently has 11 F-16's. Ideally, it should have more than one squadron of these planes.

As for the possible resumption of the education and training program for ABRI officers in the United States, Admiral Owens said his side strongly supports the idea and is making great efforts to convince the U.S. Congress to approve the resumption.

Daily Reviews 'Serious' Suharto-Keating Meeting

BK1909094595 Jakarta SUARA KARYA in Indonesian 19 Sep 95 p 5

[Editorial: "The Suharto-Keating Meeting"]

[FBIS Translated Text] Apparently, it would not be an overstatement to describe the conduct of the meeting between President Suharto and Prime Minister Paul Keating held in Bali on Sunday, 17 September as respectable and composed, manifesting farsightedness on several issues. According to Minister/State Secretary Murdiono, the meeting, which lasted 30 minutes longer than scheduled, was conducted in an open, serious, smooth, and refined manner. Furthermore, previous incidents did not have any impact on the meeting.

The minister/state secretary explained that the two leaders mostly used the opportunity to discuss more substantial issues. For example, the issue of what steps are to be taken in the future to further strengthen the foundation of the two country's bilateral relations was discussed. They also discussed common steps to ensure the success of the upcoming APEC [Asia-Pacific Economic Cooperation] leaders meeting to be held in Osaka, Japan in November 1995.

Meanwhile, Keating, who explained the decision reached with Suharto, said: "Should there be anxiety or a crack in our bilateral relations, then the crack should be restored without causing damage to other areas so that our relations are fully strengthened."

From the explanations provided by Murdiono and Keating, it appears that there was no comment to be made, except that the meeting between the two leaders was conducted in a respectable manner as described earlier. Furthermore, Keating emphasized the need to repair the damage in bilateral relations without harming other areas. The statement, which indicated the wisdom of the two leaders, corresponds to a proverb that says: "It's like tugging a clump of hair from a heap of flour; all the strands remain intact, while the flour remains unscattered."

We noted from our observation that the respectable attitude shown by the two leaders could further assist an improvement in the quality of our bilateral relations. We wish to emphasize here that such an attitude should be viewed with concern. Such an attitude indicates that close relations and positive potential exists between the two neighboring countries in contributing to the region's progress within the context of APEC. It was predicted, however, that the anti-Indonesia elements will still make Australia their base for "taking pot shots" at Indonesia. Such an action is primarily aimed at trying to damage relations between the two countries.

It is truly important, therefore, to make early follow-up preparations in connection with the decisions reached by the two leaders in Bali—to quote a part of Keating's statement, which called for the "restoration of only the affected area" in an effort to further enhance bilateral relations based on a common stand and mutual benefit.

Indonesia, however, will face no difficulty advocating such a task. Australia, on the other hand, could be faced with a difficult task because of the developments occurring within the country that could pose a potential problem for the Keating administration in connection with "Indonesian politics." As such, the Keating administration will have to work harder. Therefore, more frequent visits and meetings between nongovernmental officials from the two countries should be encouraged toward making more valuable contributions to their existing bilateral ties.

To summarize, with the conclusion of the respectable Suharto- Keating meeting in Bali, substantial follow-up steps should be advocated to strengthen further the bilateral cooperation between Australia and Indonesia. Also, more frequent visits should be undertaken by the two countries in an effort to resist any imminent problem that could affect the quality of cooperation between the two countries.

Norwegian Prime Minister Continues Visit

Suharto, Brundtland Hold Talks

BK1809125695 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 18 Sep 95

[FBIS Translated Text] The state guest, Mrs. Gro Harlem Brundtland, Prime Minister of Norway, held a one-on-one meeting with President Suharto today at Merdeka Palace in Jakarta. Sudirman Hala, correspondent from Radio Republic Indonesia, has this report:

[Begin Sudirman recording] The meeting between President Suharto and Norwegian Prime Minister Mrs. Gro Harlem Brundtland concluded about one hour ago. A separate ministerial level meeting between the ministers and senior officials of the two countries was also held. Following the conclusion of the meetings, Minister and State Secretary Murdiono gave an account of the meetings to reporters. He said President Suharto and his Norwegian guest briefed one another on the developments in their respective countries. In line with this, the two sides could consider the possibility of developing the sectors, which may further upgrade their bilateral cooperation. Continuing, Minister Murdiono explained the economic relations between the two countries. [end recording]

[Begin Murdiono recording] Trade between the two countries remains at a low-level. Norway is a country with high-tech capabilities in electrical energy, shipping and timber-based industries. The country is also financially sound. However, the ministers and the senior officials mostly exchanged views during the ministerial-level meeting. It was agreed that more concrete follow-up steps will be undertaken expeditiously. Norway's minister for industry and energy and Indonesia's ad interim minister for mines and energy are expected to sign several memorandums of understanding on energy during the current visit by the prime minister. Norway has expressed its desire to participate in the Natuna development project. As we all know, the Natuna development project is a huge project, particularly in the exploration of natural gas. The two sides will view the prospect of undertaking the project. If I may be permitted to say, with regard to politics, the Norwegian prime minister asked about the East Timor issue and the president gave a detailed explanation. The East Timor issue has become an international issue. In fact, for us, the East Timor problem has been solved given that the recent consensus is that the East Timorese have expressed their desire to become an integral part of the Indonesia society. Two general elections, which were based on the framework of our general election system, have been conducted in East Timor. [end recording]

[Begin Sudirman recording] The state guest from Norway will attend a state banquet tonight at the State Palace in Jakarta. This is Sudirman Hala reporting from Merdeka Palace. [end recording]

Suharto Hosts Banquet

BK1909062595 Jakarta ANTARA in Indonesian 1557 GMT 18 Sep 95

[FBIS Translated Text] Jakarta, 18 September (ANTARA)— President Suharto, as the Nonaligned Movement [NAM] leader, is glad that Norway has become a guest nation of the NAM. He also hopes Norway's participation would encourage greater international economic cooperation.

Delivering his address at the State Palace on Monday night, the president said: "We are confident that Norway will continually and actively participate in NAM efforts to increase international cooperation, in North-South dialogues and in solving the environmental problems."

The head of state hosted a state banquet at the State Palace in honor of the visiting Norwegian Prime Minister Mrs. Gro Harlem Brundtland and her husband, Arne Olav Brundtland. The president expressed the hope that by participating in the NAM, Norway could further assist developing countries in solving their foreign debt problems.

Accompanied by Mrs. Tien Suharto, Vice President Try Sutrisno and his wife, Mrs. Tuti Sutrisno, the president also expressed his delight over Norway's continued and positive endeavors toward helping developing nations.

In his address to his guest who is on an official visit to Jakarta from 18 to 20 September, the president said: "Norway is continuing with efforts to have 80 percent of the foreign debt of developing countries written off."

Suharto praised Norway because it has been consistently allocating one percent of its GNP to developing countries.

On bilateral relations, the president expressed his hope that ties in various fields could be widened and upgraded.

He said: "Our country could well benefit from the distinguished country's technical capability and expertise. Meanwhile, Indonesia with its rich natural resources, is conducive for trading."

Meanwhile, Prime Minister Gro Harlem informed President Suharto of the interest of Norwegian industrialists in participating in the U.S.$40-billion [figure as received] liquefied natural gas development project on Natuna Island during the one-on-one talks held on Monday morning.

The president added: "In this connection, I hope the private sectors of the two countries will play an active role by introducing their know-how and products to increase trade."

Meanwhile, Mrs. Gro Harlem Brundtland, the Norwegian prime minister expressed the hope that economic ties could be further upgraded. According to her, the two countries could mutually benefit from this.

The Norwegian prime minister and her husband bade farewell to President Suharto and Mrs. Suharto at the end of the state banquet. Mrs. Gro Harlem will attend a seminar on Norway's know-how in environmental conservation on Wednesday prior to her departure for Singapore.

Relocation of East Timor Prisoners Said Planned

BK1909095295 (Internet) INDONESIA Listserv in English 18 Sep 95

[18 September Human Rights Report No. 7 released by the East Timor Center for Human Rights Information, Education, and Training]

[FBIS Transcribed Text] ETCHRIET (East Timor Centre for Human Rights Information, Education, and Training) has received information from Dili sources about the impending relocation of a large number of East Timorese political prisoners from Becora jail in Dili to jails in Maluku and Java.

This relocation is being undertaken in the wake of mid-September riots following insults against the Catholic religion by a prison warden at Maliana. The Indonesian occupation authorities are reported to feel increasingly insecure about the prisoners and their contacts with members of the wider society, from which they are attempting to isolate the prisoners.

The planned move precedes the planned visit to East Timor by United Nations Human Rights Commissioner Jose Ayala Lasso.

Prisoners and their families are against this removal that imposes a further burden on them. Prisoners will be isolated from the support provided by their families. This support is essential for them, given the deficient conditions of the Indonesian jails. Also, being in East Timor, affords some degree of security, lacking in other areas.

The plight of East Timorese prisoners in the hostile, ethnically discriminating and corrupt Indonesian prison system is well known. There are sufficient cases of East

Timorese experiencing increased hardship after transfer to other areas beyond the reach of family members. The cases of prisoners in Semarang and Kupang are well documented. Possibility of family visits are rare, and depend on International Committee of the Red Cross funding.

In its report No. 6, ETCHRIET referred to the plight of East Timorese prisoners Marito Reis and Albino Lourdes, released from Cipinang prison Jakarta after serving a 12 year sentence for political reasons. The two are stranded in Jakarta, as the funding they were supposed to receive from the Indonesian Justice Department for their return home to East Timor was not paid, in all likelihood due to administrative corruption. The two have had to resort to the help of churches to survive.

The transfer of prisoners from zones of war, like East Timor, is proscribed by the Geneva Conventions.

Members of the East Timorese Youth Resistance request in a message sent to Australia, that human rights organisations and solidarity groups do everything in their power to prevent the Indonesian authorities from carrying out these damaging plans to move the East Timorese prisoners away from their homeland.

Laos

Deputy Prime Minister Receives Thai Minister

BK1609134695 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 16 Sep 95

[FBIS Translated Text] Khamphoui Keoboualapha, deputy prime minister and chairman of Planning and Cooperation, this morning received a courtesy call from the delegation of the Ministry of Finance of the Kingdom of Thailand led by its minister, Dr. Surakiat Sathianthai. The Thai delegation was on a working visit to the Lao People's Democratic Republic [LPDR].

Talks between the guests and the host proceeded in an atmosphere of warmth and intimacy. Dr. Surakiat, chief of the Thai delegation, informed Khamphoui Keoboualapha of the visit and the delegation's activities in the LPDR. In reply, Khamphoui Keoboualapha expressed his appreciation of the visit by the Thai Finance Ministry delegation, which would help economic ties to improve steadily.

At the end, Khamphoui Keoboualapha wished the Thai delegation fine success in their visit to the LPDR and a safe return to their country.

On the afternoon of 15 September, Phao Bounnaphon, minister of communications, transport, posts, and construction, and Soulivong Dalavong, minister of industry and handicrafts, received courtesy calls from the Thai delegation.

Communique on Thai Finance Delegation Visit

BK1909122995 Vientiane KPL in English 0930 GMT 19 Sep 95

["Communique of Meeting of Lao-Thai Ministries of Finance" — KPL headline]

[FBIS Transcribed Text] Vientiane, September 19 (KPL) — Laos and Thailand [words indistinct] upgrading of Road No. 9, and the possibility of building a bridge across the Mekong river between Mukdahan and Savannakhet (?during) the recent (?visit) to Laos by a delegation of the Ministry of Finance of the Kingdom of Thailand led by its minister, Dr. Surakiat Sathianthai, paid an official visit to Laos between September 15-16, (?in response to the invitation of Dr.) Saisomphon Phomvihan, minister of finance of the Lao PDR [People's Democratic Republic].

The upgrading of Road No. 9, a sub-regional road linking Mukdahan (northeast Thailand), Savannakhet (central Laos), and Danang (Central Vietnam), and the possibility of building a bridge across the Mekong river between Mukdahan and Savannakhet will be beneficial to the sub-region and to the two countries. The two sides will further consider the matter of the construction of the bridge across the Mekong river.

The delegations of the Ministries of Finance of Laos and Thailand discussed matters of mutual interest, possibilities of promoting bilateral cooperation in different areas between the two ministries.

These possibilities included the exchange of visits of delegations at various levels.

The Thai side will help Laos financially in personnel training in finance, treasury, taxes and customs. The two sides will exchange financial and treasury data and information of mutual interest and for mutual benefit.

For mutual benefit, the two sides will consider some issues on taxes and excise including tariffs on goods imported from Laos. The two sides also agreed to hold negotiations on double taxation.

In order to make the cooperation between the two ministries efficient, it was agreed to set up a financial treasury joint committee between the two ministries. The committee will be cochaired by the chief of the office or the permanent secretary of the Ministry of Finance.

Laos asked Thailand to consider the provision of non-refundable assistance to the construction of a runway of Luang Prabang airport in northern Laos, and for the gradual standardization of Pakse airport in Champassak Province, southern Laos. In this connection, the Thai side accepted the proposal for consideration and suggested it should be channelled through the Ministry of Foreign Affairs.

The Thai delegation also informed the Lao side of the development fund for neighbouring countries which will be further discussed.

The two sides agreed to coordinate with agencies concerned for the facilitation of the use of the Laos-Thailand friendship bridge across the Mekong river.

The Lao side expressed thanks for the grant of 10 tons of maize seeds, CPDK 888 [as received], to Laos to be provided by the Charoen Phokkhaphan Company of Thailand.

The visiting Thai delegation expressed thanks for the warm welcome granted by the Lao side. And Dr. Surakiat Sathianthai extended an invitation to Dr. Saysomphon Phomvihan, minister of finance of Laos, to visit Thailand. The invitation was accepted with pleasure.

During its two-day official visit, the Thai delegation paid courtesy visits to Mr. Khamphoui Keoboualapha, vice prime minister and president of the Committee for Planning and Cooperation, to Mr. Phao Bounnaphon, minister of communication, transport, post and construction, and to Mr. Soulivong Dalavong, minister of industry-handicraft. The visitors also toured ancient sites in Vientiane Prefecture.

National Bank Governor Reports on IMF Meetings

*BK1909094195 Vientiane KPL in English
1131 GMT 18 Sep 95*

[FBIS Transcribed Text] Vientiane, September 18 (kpl) — The Lao P.D.R. [Lao People's Democratic Republic] Bank organised at its office on September 15 a press conference on the outcome of the meeting held last week between a delegation of the Lao PDR bank and a delegation of the International Monetary Fund (IMF).

In the press conference, Mr. Boutsabong Souvannavong, governor of the Lao P.D.R. Bank, [said:] over the past week, officials of the bank, the Ministries of Finance, Commerce, Planning and agencies concerned held working meetings with an IMF delegation to discuss conditions for the release of the loans for the second year granted by IMF to Laos for the three-year macro-management ESAF [expansion unknown] project. The project will stabilise the monetary situation and capital markets of the country and boost Laos' potential for economic-social development in the future.

Since September 13, the Bank of the Lao P.D.R. has allowed commercial banks and state and private currency exchange shops to buy foreign currencies at a market rate and sell foreign currencies in their own supply capacity.

Certainly, under the situation of our weak economy where people are unfamiliar with market mechanism, this practice of foreign currency exchange may face difficulties at the beginning and may trigger fluctuation in exchange rates to some extent, stressed the governor of the Lao P.D.R. Bank, adding that it is noticeable that in the past one week the rate of exchange in free market remained stable. Commercial banks were confident about the improvement of the rate of exchange in the future.

Finally, he called on merchants to be confident and to refrain from hoarding goods for price hike, and from speculation and spreading rumours. The government plans and urges for the increase of domestic production and reduction of imports. The government will map out measures to practise thrift, to reduce unnecessary administrative expenses to reduce budget deficit, and promote exports.

Party Central Committee Closes Plenary Session

*BK1909093995 Vientiane KPL in English
1124 GMT 18 Sep 95*

[FBIS Transcribed Text] Vientiane, September 18 (KPL) — The Lao People's Revolutionary Party Central Committee (LPRP CC) closed its 11th plenary session (fifth congress) on September 16. The plenum opened on September 04.

The plenum evaluated the domestic situation which included the implementation of the economic-socio development plan and of the 1994-1995 budgetary plan. The meeting also made an in-depth study and analysis into the recent negative changes in market and the recent fluctuation of prices and exchange of foreign currencies.

The plenum agreed to comprehensive guiding principles including the guiding principles for the economic-socio development plan and some new targets of the annual budget.

The plenum also discussed and mapped out ways and measures to improve and normalise the financial, monetary, pricing situation.

The session studied and discussed line, targets and programmes of the draft plan for the 1996-2000 economic-socio development and made comments about amending the draft.

Also discussed in the plenum were issues on improving the party's operation, including the shortcomings in ways of guidance and work style, the enhancement of role and capacity of the party by upgrading the sense of responsibility of leading cadres and party committees at all levels, by maintaining close links with the masses, by augmenting excellent models in all fields, and by opposing all forms of bureaucracy.

Due to the recent serious floods in many parts of the country, the plenum discussed and agreed to some urgent measures to relieve the flood victims and to ways of future assistance including the restoration of post-flood production to normalise life in the flooded areas as soon as possible.

During the plenary meeting, LPRP CC Politburo members, LPRP CC members, ministers and provincial governors also went on inspectory tour to flooded areas to boost the victims' morale.

The 11th plenum also adopted lines for the annual action plan aiming at pushing forward renovation cause, ensuring stability and security in all aspects, thrusting the continual growth of the economic-socio development, enhancing the effectiveness of the state management and role of party's guidance, and encouraging mass working campaign in anticipation of the 20th anniversary of the Lao People's Democratic Republic, December 2nd, 1995, the 75th birthday anniversary of the late President Kaysone Phomvihan, December 13th and the 6th party congress due in the near future.

Press Release Issued

BK1909133895 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 18 Sep 95

[Press release issued by the 5th Lao People's Revolutionary Party Central Committee on the conclusion of the 11th Plenary Session in Vientiane on 16 September]

[FBIS Translated Text] The 11th plenary session of the 5th Lao People's Revolutionary Party Central Committee [LPRP CC], which convened from 4 to 16 September amid an atmosphere of deep responsibility, attained expected successes.

The plenum reviewed and assessed the domestic situation, such as the implementation of the socioeconomic development plan and the 1994-1995 budget plan. At the same time, it also conducted a profound study and analysis of the causes of the recent negative changes in the markets, prices, and exchange rates.

On the basis of its assessment of the situation and by drawing lessons from experience in recent years, the plenum agreed to adopt the comprehensive guidelines for tasks, including the direction of the socioeconomic plan and the major targets of the annual budget plan.

The plenum also discussed and agreed on the methods and measures to resolve and normalize the financial, monetary, and pricing situation. In addition, the plenum also studied the direction, targets, and major programs in the draft socioeconomic development plan for the 1996-2000 period. Several recommendations were also proposed to the plenum on the amendment and improvement of the said draft plan.

The plenum also studied and discussed issues with regard to consolidating and improving the party and agreed to adopt certain measures aimed at doing away with certain shortcomings and remaining problems—for example, those dealing with means of guidance and work styles. It expressed a determination to enhance the party's leading role and capabilities by upgrading the responsibility of leading cadres and party committees at all levels by fully understanding realities, maintaining close links with the masses, augmenting outstanding models in all fields, and opposing all forms of bureaucratic abuses.

Due to the recent serious floods in many regions in our country, the plenum discussed and agreed to adopt certain urgent measures to alleviate the plights of the flood victims in their daily lives and to implement methods of future assistance to the people, such as the restoration of post-flood production in order to normalize the people's lives as soon as possible.

During the plenary session, some LPRP CC Political Bureau members, LPRP CC members, ministers, and provincial governors also visited flooded areas to boost the morale of flood victims and consulted with one another on measures to render assistance to them.

The 11th plenary session also adopted and endorsed the lines for the annual plan aimed at further promoting the cause of revolution, ensuring all aspects of stability and security, resolving all immediate difficulties, and continually driving socioeconomic development on the following bases: enhancing the sense of the mastership and consolidated strength of the entire masses; enhancing the effectiveness of state management and the leading role of the party; and mobilizing achievements by mass movements to welcome the 20th anniversary of the founding of the Lao People's Democratic Republic, the 75th birthday of the late President Kaysone Phomvihan, and the 6th Party Congress.

The LPRP CC called on the party committees at all levels, all party members, administrations, mass organizations, cadres, and combatants, and the people of ethnic groups and all strata to further enhance the tradition of patriotism, the spirit of independence and sovereignty, the tradition of perseverance, and the sense of mutual solidarity and assistance in order to overcome all difficulties and, at the same time, to continue developing and building our beloved countries.

[Dated] Vientiane, 16 September 1995

[Signed] The LPRP CC

Thailand

Reportage on Drug Probe, U.S. Role Continues

Committee Chief Views Options

BK1609162595 Bangkok MATICHON in Thai 16 Sep 95 p 2

[Interview with Colonel Thanat Khoman, chairman of the Public Hearing Committee, (former foreign minister and former leader of the Democrat Party); place and date not given]

[FBIS Translated Excerpt] [passage omitted] **What are you going to do if the United States refuses to supply the evidence?**

Let's try. We will ask for the evidence from them and see whether they will have the courage to refuse us. I believe they will give it to us because they are a government of credibility. Anyway, we won't insist on it if they refuse. It seems to me that they did not have any valid evidence — it could be some kind of information from Americans or from their official sent to work with the Office of the Narcotics Control Board [ONCB]. It could simply be based on a rumor. The Americans are smart enough and they would not give us the evidence if it were unsubstantiated. Anyway, this is only my guess. I will check with ONCB officials to see whether the Americans did send any DEA (Drug Enforcement Agency) agent to work with us. It could be that agent who reported it to Washington. Well, I should tell you something. A U.S. official sent to work in Thailand once shot and killed a Thai national just because he was suspected of drug trafficking. The American fled home after the incident and the matter was settled by compromise. Thailand preferred that the person be sent back instead of standing trial here. This is what DEA or CIA did. Some of us are aware of it, but many are not.

How do you plan to carry out your mission?

We will write to agencies concerned requesting information, facts, or evidence from them. The committee will ask anybody who has evidence or information to contact us, either in person or in writing. At the same time, we will ask the Foreign Ministry to help us get information from the United States — not only on Narong Wongwan or Watthana Atsawahem, but also about a dozen others whose names have been listed by the United States. With the United States, we will seek to get evidence from it, and if the evidence is not substantive or if the United States prefers not to disclose it, we will then propose that the U.S. review its position. In that case, the best way for it is to withdraw the accusations. That's all.

Will that cover its ban on an entry visa into the United States?

The United States always tends to confuse people. The ban on visa issuance is a different issue. In general, there is no need to give a reason if a country does not want to grant visas to anyone. As it happened, the United States denied visas to certain Thai nationals and declared that they were suspected of involvment in drug trafficking. This was an interference in Thailand's affairs.

Would you draw a conclusion once evidence is supplied to the committee?

We will not give our opinion; we will only present our findings to the government because we were not appointed to present an opinion or to draw a conclusion. Yet, the committee is entitled to either present the information gathered or give opinions as well. The prime minister might forward our findings to the court for study to see whether such accusations against our citizens are substantiated by evidence, and whether the evidence is weak or not. The court could rule to abrogate the case depending on the process. It is not right to make accusations and refuse to provide proof. They can treat their own people like that but I would not allow them to do that to Thai nationals. That's our duty. Our duty is not to be politically motivated in covering up for anyone or helping anybody. [passage omitted]

Dailies Comment on Panel Chief

BK1809124795

[FBIS Editorial Report] Bangkok Thai-language dailies — MATICHON, NAEO NA, and KRUNGTHEP THURAKIT on 16 September; and THAI RAT on 17 September — carry comments regarding Prime Minister Banhan Sinlapa-acha's appointment of the committee headed by former Foreign Minister Thanat Khoman, to probe into the drug charges against Narong Wongwan and Watthana Atsawahem of the Chat Thai Party by the United States.

MATICHON's 800-word editorial on page 2, entitled "Absolving the Panel," says everyone views the appointment of Thanat Khoman to head the panel as an attempt by Prime Minister Banhan to clear the image of his associates in the Chat Thai Party. Whether or not his good intention will achieve the desired results depends on several factors. "What is most crucial is the cooperation from the U.S. Government — will it supply the needed information to the panel?" The editorial continues: "Without cooperation from the U.S. Government, which may cite legal aspects or other reasons as obstacles toward supplying information to the panel, the work of this committee would be considered as one-sided. If this is the case, there would be no credibility in the result of the panel's investigation." The most important task ahead of Thanat's panel is to get the U.S. Government to cooperate and send the information and evidence needed for the probe. "Without concrete results, this panel will be seen as a political tool of the government," the paper concludes.

In his column on page-2 of **NAEO NA**, entitled: "Genius Advice for the Prime Minister," Narong Chunchom says that Prime Minister Banhan's appointment of an inquiry commission is an attempt to absolve the two politicians of the blame placed on them by the United States. This blame is seen as a double-edged sword. "The commission could serve in whitewashing the two politicians. Yet, it may also dig up their backgrounds and expose them to the public," the columnist says. He notes that politicians in the opposition, the military, and general public cannot conceal their joy at seeing justice unfolding. As for Banhan, he will gain from the process no matter the outcome. If Narong and Watthana are cleared of the charges, they will be grateful to Banhan for the rest of their lives; if the verdict is against Narong and Watthana, Banhan can get rid of them nagging about having the portfolio in the Interior Ministry.

"Former Foreign Minister Squadron Leader Prasong Sunsiri hinted that if the government is sincere about solving the problem, it should make use of the Mutual Legal Assistance Treaty between Thailand and the United States, which was signed in Bangkok on 19 March 1986, by the then Foreign Minister Air Chief Marshal Sit Sawetsila and U.S. Attorney General Ed Meese. Under the treaty, the interior minister (Banhan himself) is entitled to ask for evidence from the U.S. attorney general about the two Thai politicians. The Thanat-led panel has no legal justification to seek such information," the column remarks.

In the column on page-2 of **KRUNGTHEP THURAKIT**, Kafae Dam writes in his 900-word column entitled: "From Thanat-Rusk to Thanat-Lambertson" that Thanat vowed he would not become a political tool of the government just to absolve the two politicians of the charges by the United States. Thanat said he accepted the job because he wanted to show that Thailand has its dignity. In his lengthy character analysis of Thanat, the columnist notes that Thanat does not share the same thinking as the government party's politicians. He only wants the United States to provide evidence to substantiate its charges against the Thai politicians, or to withdraw the charges.

But as for Banhan and his colleagues, what they have asked Thanat to do is to confront the United States. Thanat said that he is not going to confront the United States as many have thought. The columnist says: "To support his words, Thanat sent me a copy of a letter, dated 7 August 1995, from retiring U.S. Ambassador David Lambertson thanking Thanat for hosting a dinner on 3 August. Thanat underlined that the U.S. ambassador acknowledged that he was playing an important role in U.S.-Thai relations. He raised his voice loud and clear when he wanted to criticize certain policies of the U.S. Government, but he was not anti-American as many think. Thanat is chairman of the John F. Kennedy Foundation of Thailand, supporting Thai-American Friendship. In his current role as chairman of the public hearing committee, Thanat will not tone down his previous role."

It was Thanat Khoman who, 30 years ago, cosigned with then Secretary of State Dean Rusk, the Thanat-Rusk Treaty authorizing U.S. troops to be stationed in Thailand during the Indochina war. He has been labelled pro-American in the past, and now he is being labelled anti-American. "If anyone asked him, Thanat would say he was neither pro- nor anti-American. He says he has never changed; it was the situation that changed," the columnist recalls.

The page-3 Sunday column by **THAI RAT**'s "Political Team" also dedicates their issue to Thanat's panel. The 1,000-word commentary, entitled: "The More You Move, the More You Get Hurt," says Prime Minister Banhan's latest move is suicide. After analyzing the Chat Thai Party, the Political Team sees it as an empty body, fraught with factionalism. Banhan's move was motivated solely by pressure within the party. He risks losing the party leadership if he fails to keep his word about giving justice to Narong and Watthana. According to the party's regulations, an election for the new party executive board must be held 180 days after the general election.

In this context, Banhan should gain from the appointment of the panel led by Thanat Khoman since its mission should help ease party tension. After reviewing the order issued by the Prime Minister's office appointing the panel led by Thanat Khoman, **THAT RAT**'s political team notes that the public has reacted negatively to it and the critics have rejected it. Many people think the result of the probe by this panel would be one-sided and thus carry no value.

"Deep in his heart, Banhan does not care much about absolving Narong and Watthana, but rather he wants to lessen tension in his party by showing his colleagues that he can keep his word. By doing so Banhan is putting the entire nation at risk — a risk concerning national politics, and a risk to the smooth relations we have with a power like the United States.

"THAI RAT's Political Team believes that the move taken by Banhan in appointing this public hearing committee will diminish his popularity in the eyes of the public. He will be accepted less and less as a national leader by Thai society because what he is doing is just an attempt to solve the problem within his Chat Thai Party.

"Concerning relations with the United States, THAI RAT's Political Team sees the move as a mistake on Banhan Sinlapa-acha's part. He transformed the problem within the Chat Thai Party into a national problem. At this point the Political Team of THAI RAT would like to ask him: Is it worth it?"

Banhan Views 'Harsh Criticism'

BK1709135595 Bangkok THE SUNDAY NATION in English 17 Sep 95 p 1

[FBIS Transcribed Text] Police Director General Phot Bunyachinda will be asked to disclose the Police Department's list of drug suspects to the inquiry commission looking into Thai politicians' alleged links to drug traffickers, the panel's chairman said yesterday.

Thanat Khoman, chairman of the government-appointed inquiry commission, revealed that the panel will ask Phot, who said on Thursday that police have a blacklist of drug suspects which includes some politicians, to provide more details .

Phot is a member of the 12-man commission .

Prime Minister Banhan Sinlapa-acha said yesterday people should not be too quick to criticize the commission inquiring into United States allegations about senior Thai politicians.

Chat Thai Patty leader Banhan said the commission has not even started work but is already being subjected to harsh criticism by the public.

"I have done my best [in establishing the panel]. One should wait and see what the commission does about the matter," he said.

Many people, including members of the opposition, have questioned the government's motive in appointing former senior diplomat Thanat, who is known for his anti-US opinions, as commission chairman.

Opposition lawmakers have said they believe the commission was set up specifically to "whitewash" Chat Thai chief adviser Narong Wongwan and deputy Chat Thai leader Watthana Atsawahem, both of whom are suspected by US agencies of having links with drug traffickers.

Chat Thai secretary-general Sano Thianthong said yesterday the inquiry will ask US authorities to supply evidence to substantiate the allegations.

"When there are allegations, it is our duty to try to clear the names of the two [Narong and Vatana]," Sano said.

He complained that Washington has consistently refused to provide information to back up the allegations, which were the reasons given to refuse the two men entry visas to the US.

"The US authorities should cooperate with us to try and clarify the matter," Sano said.

Opposition leader Chuan Likphai said yesterday the government had no business setting up the commission of inquiry.

"There has never been any formal allegation whatsoever against the two men, so why bother setting up a commission of inquiry?" he said.

If it turns out that the commission helps clear the names of the two senior Chat Thai executives and they are later given key Cabinet posts. The government's true intention in setting up the inquiry would become evident, Chuan said.

"That would mean the allegation that the inquiry commission was set up specifically to whitewash the two politicians was true," he added.

The US information apparently revolves around alleged contacts between the two men and drug traffickers. The US has cited provisions of its Privacy Act protecting confidential informants to explain its reluctance to reveal details.

However, a US Embassy official in Bangkok said on Thursday the embassy would cooperate "to the fullest extent possible" with the commission's fact-finding mission.

Narong, who led the largest party after the 1992 general election, the Samakhitham Party, lost the opportunity to become prime minister when US authorities announced he was on a list of Thai nationals suspected of drug trafficking links.

Watthana was promised the Interior portfolio after the July 2 general election but did not get it because of earlier drug-link allegations by US agencies.

Police Refuse To Reveal Blacklist

BK1809054295 Bangkok THE NATION in English 18 Sep 95 pp A1, A6

[FBIS Transcribed Text] Although the Police Department has a blacklist of drug suspects, the names cannot be made public because there is insufficient evidence to formally charge them, a source revealed yesterday.

If their names were revealed to the government's inquiry commission looking into U.S. drug allegations against Thai politicians and were subsequently publicized, the suspects may take legal action, the police source said.

The officer said the Police Department only has tapes of telephone conversations of the suspects, who he said were politicians and people from other professions. This is unacceptable evidence in the Thai legal system.

"We have information about the suspects making deals over the telephone, but that cannot be used as evidence because they have done nothing wrong," he said.

The government last week set up the commission to investigate U.S. drug allegations against Thai politicians, including Chat Thai senior members Narong Wongwan and Watthana Atsawahem.

Police Director General Phot Bunyachinda, a member of the 12-man commission, said on Thursday police had a blacklist of drug suspects. He said if requested by the commission, he would set up a committee to consider which names should be revealed.

On Saturday, former foreign minister Thanat Khoman, chairman of the commission, said the panel would ask Pol Gen [Police General] Phot to provide more details.

Opposition lawmakers, in particular the Democrats, have strongly criticized the commission. They have said the panel was set up just to "whitewash" Narong and Watthana so that they could be appointed to the Cabinet.

Chat Thai adviser Narong and deputy party leader Watthana were denied ministerial posts because they have been accused by U.S. authorities of having links with drug traffickers.

Thanat said yesterday he would today contact U.S. Embassy senior officials to make an appointment to discuss the issue. "This will lead to a better understanding with the U.S.. I believe the U.S. also wants to clear up the issue," he said.

Thanat, a former Democrat leader, said the Democrats criticized his panel because they might be afraid that the probe would adversely affect them. He claimed that when the Democrats were in government, they persuaded the U.S. to intervene in Thailand's internal affairs.

"They used groundless information to attack certain people in Parliament. These people lack responsibility. They say whatever they want and do whatever they want," Thanat said.

He was dismissive of Democrat spokesman Aphisit Wetchachiwa's remark that Thanat would become the government's tool.

Asked why former foreign minister Prasong Sunsiri refused to give information to the commission, Thanat said: "He may be worried and is afraid to face the facts."

While in the Chuan Cabinet, Prasong said in Parliament that Watthana was denied an entry visa by the U.S. on suspicion that he had links with narcotics traders.

Kroekkiat Phiphatseritham, rector of the University of the Thai Chamber of Commerce, said the government could ask for information from Washington, "but I wonder if they would dare reveal the information given to them by the U.S.," he said.

Chaiwat Khamchu, head of the international relations department of Chulalongkon University's Faculty of Political Science, said the commission would fail. He said it was wrong to name Thanat, who was always critical of the U.S., as commission chairman because he was not neutral.

Chat Thai secretary-general Sano Thianthong admitted that the commission was formed because of Chat Thai's internal problems. He said it was reasonable for Chat Thai to attempt to solve its problems.

Deputy Finance Minister Newin Chitchop (Chat Thai) denied that the commission was established primarily to solve Chat Thai's problems. He said the 12 commission members are widely respected and will not become a tools of anyone.

Police Chief: Names 'Secrets'

BK1909070595 Bangkok THE NATION in English 19 Sep 95 p A8

[Unattributed report: "Police chief says names in drug list cannot be disclosed"]

[FBIS Transcribed Text] Police Director General Phot Bunyachinda said yesterday he could not disclose the names of the drug suspects on the Police Department's blacklist because they were secrets protected by the law.

Phot also claimed that he had never said there were politicians on the list of people suspected of involvement in drug trafficking.

"I was misquoted by reporters. I said: 'there are people from all professional and occupational groups' when asked whether there were politicians on the blacklist," Phot said.

The public commission of inquiry chaired by former foreign minister Thanat Khoman, said it would ask the national police chief to reveal the names of people on the list of drug suspects.

Thanat said yesterday he planned to meet senior Embassy officials this week to seek US evidence.

The commission was set up by Prime Minister Banhan Sinlapa-acha specifically to determine the facts regarding the suspected involvement in drug trafficking of two senior Thai politicians as alleged by US anti-drug agencies.

Phot said he would be breaking the law governing official government secrets if he revealed any name on the blacklist.

"Besides, while the names on the Police Department's watch-list are there because there were reasons to believe they were involved in drug trafficking, there is still not sufficient evidence to support charging them," he said.

He denied that he had been under pressure from politicians not to reveal the names.

Police sources said Article 164 of the Criminal Code stated that government officials who revealed official secrets to unauthorized persons were liable to a maximum jail term of five years, a fine of no more than Bt [baht] 10,000, or both.

Many people, including members of the opposition, have questioned the government's motives in appointing former senior diplomat Thanat, who is known for his anti-US opinions, as commission chairman.

Opposition lawmakers have said they believed the commission was set up specifically to "whitewash" the cases of Chat Thai chief adviser Narong Wongwan and deputy Chat Thai leader Watthana Atsawahem, both of whom are suspected by US agencies of having links with drug traffickers.

Meanwhile, Judge Manit Chitchanklap, chief justice of the Criminal Court, said yesterday the government's chief whip Chumphon Sinlapa-acha did not understand court procedures when he said the public commission of inquiry would be asked to look into the case of Thanong Siriprichaphong, the former Chat Thai MP representing Nakhon Phanom.

The courts are deciding whether to extradite Thanong to the United States to stand trial on drug trafficking charges.

"If the public commission of inquiry takes up the case of Thanong, that would constitute interference in court proceedings," Manit said.

Papers Oppose Panel Establishment

BK1809130095

[FBIS Editorial Report] Two Bangkok Thai-language dailies — KRUNGTHEP THURAKIT and NAEO NA — on 18 September carry editorials on the decision made by Prime Minister Banhan Sinlapa-acha to form a commission of inquiry, or public hearing committee, to probe the U.S. drug charges against two leading figures of his Chat Thai Party.

KRUNGTHEP THURAKIT's 400-word editorial, on page 2, entitled: "Banhan Is Heading Toward a Calamity," says: "Suffice it to say that the result of the investigation by the committee will be a 'big-time bomb' that may cause premature destruction of the seven-party coalition government.

"Colonel Thanat Khoman himself has clearly stated that he will not let the government use him as a political tool to 'clear' the records of some people in the Chat Thai Party, stressing that he merely wants to prove that Thailand cannot afford to let the United States look down on the Thai people or level any unsubstantiated charges against them."

The editorial reviews the conflict and rivalry for power among varying factions in the Chat Thai Party and concludes by saying: "The only objective of the public hearing committee is to settle the conflicts within the Chat Thai Party. We believe that the ongoing negative criticisms as well as the procedure of the committee are likely to create a social trend of discrediting Banhan himself. Despite the temporary stagnancy of the internal conflict of the Chat Thai Party, its accumulative effects will eventually explode. The appointment of the committee is one way to buy time but will also drag Banhan nearer to his death."

NAEO NA's 400-word editorial, on page 3, entitled: "Between the Individuals and General Public," says that there are so many problems that deserve the government's urgent and special attention. Millions of people in dozens of provinces, including Bangkok, are being adversely affected by floods. Prices of commodities are escalating while Bangkok's notorious traffic congestion still lingers.

The editorial stresses: "These are the problems for which the government should make serious efforts to find solutions. It should not worry about the two persons who could not be appointed to the cabinet because of the drug charges against them by the United States. We do not understand why the government and politicians from the coalition parties are so worried about this matter and why they decided to form the commission of inquiry just to clean up their tainted records."

The editorial says in conclusion: "We recommend the Government pay more attention to other numerous existing problems, which directly affect the country and people, rather than spending its time concerned with these two people. The good intentions that the Government may have for the two might turn out to add even more pain to their plight. Whether or not the United States provides the evidence we want, the verdicts will be ambiguous anyhow."

'Act of Plundering the People'

BK1909122195 Bangkok NAEO NA in Thai 19 Sep 95 pp 1, 3

["NAEO NA Report" column: "The Public Hearing Committee, An Act of Plundering the People"]

[FBIS Translated Text] If someone asks the people about Prime Minister Banhan Sinlapa-acha's thundering order appointing the "Public Hearing Committee," the answer he will get is that the decision made by the Chat Thai Party is unacceptable to the majority of the people.

It is like a big slap to the faces of the people in the whole country.

It is like an abuse of power without caring for the feelings of the people in the whole country.

It is like the brutal rape of the people under the government's rule.

The whole problem first erupted when some politicians in the Chat Thai Party were blacklisted by the United States for their suspected involvement in drug trafficking. Attempts have been made to disprove the U.S. charges, but to no avail.

The so-called Public Hearing Committee was eventually formed to whitewash the tainted images of the accused persons.

In fact, more than 10 other Thai politicians in addition to Narong Wongwan and Watthana Atsawahem are on the U.S. blacklist.

Why does the government of "short-legged" Prime Minister Banhan have to worry about the two and have to even decide to create the "paper tiger" committee?

The whole issue is politically motivated and was condemned by the people from the very beginning.

Why has the Narong and Watthana problem drawn so much attention from the general public?

Reviewing the files of their past activities and behaviors, the two have registered rather frightening images in the eyes of the people.

Narong Wongwan, the big tycoon of Phrae Province, is known to own numerous businesses including logging companies, tobacco plantations, dairy farms, and hotels; he hold shares in innumerable companies.

This tycoon from the northern province is loaded with money and gold.

The people know about his terribly colossal fortune and hefty earnings from certain types of businesses.

Meanwhile, Watthana Atsawahem, the godfather of Samut Prakan Province, is a politician who always makes big news.

On 10 September 1983, a police team led by the then Police Director General Narong Mahanon raided a gambling den on Phatthanakan Road and arrested as many as 247 gamblers and confiscated different kinds of weapons, including one AK rifle and three shotguns. Watthana was reportedly sleeping in another house on the same compound.

Watthana testified that the house used for illegal gambling was rented to other people.

Despite his denial of any connection, he could never convince the people that he had nothing to benefit from the illegal gambling den.

His name came into the limelight again when it was reported that a tycoon whose name begins with the letter "W" was behind the recently flourishing oil smuggling business in the Gulf of Thailand. His denial could only add more suspicion.

His control over big businesses, including the oil trade, fishing ventures, hotels, and car import enterprise in Samut Prakan, has also fanned the general public's skepticism.

Watthana has no inferiority complex in the eyes of the people in Samut Prakan Province. The social court outside the province, however, has already handed over to him a death sentence.

Narong is in a similar position.

Their reputations were not reported just because they were blacklisted by the United States. The people in the whole country have long been watching their maneuvers in different fields.

We must admit that the appointment of the Public Hearing Committee to tackle the problem for the two will help clear up some dubious sins, to a certain extent.

Believe it or not, this problem is a quagmire for Prime Minister Banhan. The more he struggles, the deeper he will sink.

There is nothing wrong with the prime minister issuing an order or trying to help his colleagues.

If the people in the whole country are questioned about the Prime Minister's Order No. 166/1995, they will say that the order is unacceptable.

This is because they have nothing to do with the appointment of the committee. The committee uses their name, however, so that it can turn black into white for the interests of only two persons.

It should be noted that Prime Minister Banhan Sinlapa-acha is walking against the tide of the general public. It is not wrong to say that he is plundering the people's common sense.

The government and Chat Thai Party leader will later have to bear the consequences of the boomerang.

One can be sure that the United States will not cooperate in this regard.

It is quite obvious that Banhan is moving one step nearer to his demise; what he has done will not yield any good but will bring a heavy burden upon him.

Border Buildings Demolished After Burma Protest

BK1709120195 Bangkok THE SUNDAY POST in English 17 Sep 95 p 3

[FBIS Transcribed Text] A group of concrete buildings which encroached on the Moei River was demolished yesterday.

The 16 buildings, put up by local traders this year on public land, drew protests of encroachment from Burma.

Burma also alleged that Thailand had filled the deep channel in the river with rocks.

The allegations followed the closure of the border by Burma on March 4.

A panel chaired by inspector-general Yon Sunthon-sarathun, was set up by the Interior Ministry in early June to investigate the allegations and Burma was notified at a meeting of Thai-Burmese border committees.

Despite Thailand's response, Burma suspended construction of the Thai-Burmese Friendship Bridge across the Moei a week after that.

Mae Sot district officer Kasem Watthanatham said the demolition had nothing to do with the border dispute.

It simply happened to coincide with attempts to solve the border problem he said.

Panithi Tangpathi, deputy president of Tak Chamber of Commerce, hoped the demolition would reduce tension and cause Burma to resume construction of the bridge and trade between Myawadi and Mae Sot.

However, border authorities were still pessimistic, saying Burma may not do this until a joint border demarcation committee is able to agree on a permanent border line.

In Mae Sai, rescue officials recovered from the Mae Sai River the bodies of two men in military uniform thought to be either Burmese or Shan.

The men had been tied up and blindfolded with pieces of green cloth. Their throats had been cut.

Doctors at Mae Sai Hospital said they thought the men had been dead for at least three days. No identification was found.

Police said the men might be Burmese soldiers or guerrillas of the Muang Tai Army killed during recent clashes near the border town of Tachilek. The Thai authorities are waiting for Burma to retrieve the bodies. If the Burmese authorities fail to make contact, the bodies will be cremated.

The Burmese Government has reportedly dispatched about 4,000 Wa soldiers to defend Tachilek from possible attack by minority groups during tomorrow's celebrations of the Statue of King Bayintnaung.

A number of Burmese officials arrived in Tachilek in four planes yesterday to prepare the ceremony.

The statue will be unveiled tomorrow by Burma's Army Chief, Maung Aye.

A Thai resident in Mae Sai said the Burmese authorities have placed stricter controls on their citizens wanting to cross the border into Thailand.

The Mae Sai-Tachilek border checkpoint is still closed in the wake of a series of clashes between Burmese troops and Karen and Shan minority forces a few months ago.

Thailand has opened five temporary checkpoints along the border, but no Thais have yet crossed into Burma because of security fears.

'Provocation' of Joint Military Exercise Viewed

BK1809094895 Bangkok THAILAND TIMES in English 18 Sep 95 p A 4

[Editorial: "Joint-Military Exercise Can Create Regional Provocation"]

[FBIS Transcribed Text] In the aftermath of the creation of the ASEAN Regional Forum (ARF), and between the recent meeting in Brunei and the next, a further search for a new playing field for ASEAN-East Asian security will be underway by the senior officials of the ASEAN-Seven.

If a new playing field is to be found within the frame work of ARF and its dialogue partners, then the security concepts of the major players in the region must be compared in order to see whether the games to be played are compatible.

The appeal of multilateral arrangements of "security regionalism" in the Asia-Pacific region emerges from the uncertainty generated by the end of the Cold War order.

ASEAN-policy makers may have to consider, on the one hand, the possible unreliability of the United States geared by its fear of body bags returning home. On the other, the fear of China and the inability and weakness of Japan to stand on its own feet.

Coupled with the desire of the ASEAN region to control competitive arms acquisitions and the spread of mass destructive weapons as well as Tokyo's dreams for a new international role, constitute conditions conducive to collective ASEAN understanding and steady action.

For regionalism to succeed as a security concept certain conditions must be met: members of ASEAN must accept the territorial, political and ideological status quo of nations. No state within the forum should seek hegemony; and security must be viewed in limited terms.

Thus uncertainty can be ameliorated by communication, transparency and development of confidence building on defense-oriented strategies and ultimately, the collective management of power by consensus.

Anxiety stems from the global acknowledgement that Asia will be the location of the world's fastest growing economies in the next century. And that demands a stable environment and friendly relations among neighboring states in particular, and Asian countries in general, regardless of individual domestic political structures governing the country. This is an essential factor in order to encourage investment and trade to flow freely in and out of the region.

Multilateral security dialogues within the ARF would serve as a safety net for airing regional complaints before they escalate into full blown conflicts. On the economic dimension, United States officials have amply demonstrated at various ASEAN forums and as well as an important dialogue partner, that the most effective policy Asian states could follow to ensure the maintenance of a US military presence would be to open their markets further to US exports.

The security for trade umbrella, and the consequence of such an arrangement is quite visible in Japan's impotency to act on its own conscious. [sentence as published]

Nevertheless, the American drive to sell the notion of trade for security in the region may be partially offset by US insistence on democracy and human rights.

The unending acrimonious debate with China and other Asian states over the Most Favored Nations (MFN) trading status, recent criticism of Indonesia, over East Timor which led to Washington's refusal to permit Jordan to transfer F-5E Jets to Jakarta and the scrutiny of labor rights in China, Indonesia, Malaysia and Thailand have elicited concerns throughout the region about US reliability and political pressure.

Another important position the ASEAN policy makers will have to give thought is the dangers of letting combined US military exercise in the ASEAN region, especially, when there is a regional conflict like the controversial Spratly Islands, when the Philippines conducted a joint military exercise, only to annoy the Chinese. Such provocative actions will not be in the interest of ASEAN members and regional security.

Indeed, the looming China-Taiwan conflict is the outcome of the Filipino-American exercise, an unnecessary provocation by the United States in the Asia-Pacific region.

The US needs to change its approach on Asian political issues in the most effective way, not by raising issues that are counter-productive, and dominating over Asian forums, but by always bearing in mind the uniqueness and diverse historical, cultural and religious background of the countries in this region.

Defense Minister on Military Satellite Plan

BK1809045095 Bangkok BANGKOK POST in English 18 Sep 95 p 1

[Report by Watsana Nanuam]

[FBIS Transcribed Text] Defence Minister Chawalit Yongchaiyut has initiated a proposal for Thailand to launch a satellite for military use via a 26-billion-baht plan aimed at enhancing national security and the armed forces' communications capabilities, a military source said.

The satellite will be named "Star of Siam."

A committee has been set up to conduct a feasibility study on the project.

Defence permanent secretary Gen Prasoet Sararit is chairman of the committee and Lt-Gen Winai Tansi, director of the Joint Communications Directorate, and Adm Prawit Phalasi, deputy chief of the Joint Staff of the Supreme Command, are the first and second deputy chairmen respectively.

At the committee's first meeting late last month, it resolved to set up a sub-committee, chaired by Gen Yuthasak Sasiprapha, director of the Office of Policy and Planning under the Office of the Permanent Secretary, to study the details of the project.

The military satellite would greatly enhance the modernity of the armed forces, the source said.

It would have a number of transponders for use in security and intelligence operations. A British company has shown interest in the project and has asked to examine the details.

Initial budget for the project is 26,000 million baht and the satellite's transmission will cover Asia and the Pacific.

Gen Chawalit, once a communications officer, has been interested in the project since he was Army commander-in-chief, the source said.

Gen Chawalit has instructed the feasibility study committee to keep him informed of its findings.

While visiting the Army on September 7, the Defence Minister inspected the operational centre or "war room" on the sixth floor of the Office of the Army Commander and saw the Army's communications system operating via the Thaicom satellite.

Though the system is capable of covering situations on all border fronts, Gen Chawalit proposed that Thailand should launch its own military satellite to Army Chief Gen Wimon Wongwanit and other top raking officers.

Gen Chawalit said with the satellite, Thailand would be able to establish wider communications links with countries in the Asia-Pacific region.

With their own satellite and without having to rely on a commercial satellite, the armed forces would be considerably strengthened, the minister said.

Gen Chawalit has asked all officers concerned to complete their assignments on the satellite project as soon as possible, the source said.

If Thailand is too slow to act on this matter, he said, there could be a problem in obtaining the right for an orbital position for the satellite as many other countries are planning to launch both commercial and military satellites.

In another development, the Thai Army is to exchange military information with the United States' Defence Ministry through the Internet network, according to a Thai military source.

An Army public relations delegation led by Army Secretary Maj-Gen Phongthep Thetprathip finalised the deal when they met with United States' Defence Ministry officials in that country between September 1-12.

Thailand will receive information on weapons deals and certain "secrets". The project will begin as soon as the Thai Army acquires the necessary staff and computers.

The staff are to be trained at the U.S. Armed Forces' Information Services school in Maryland, the source said.

Air Force Panel Said To Favor F-18 Purchase

BK1809045295 Bangkok BANGKOK POST in English 18 Sep 95 p 8

[FBIS Transcribed Text] Purchase of eighteen F18 jet fighters from the United States, in addition to a second batch of F16s, is favoured by an Air Force committee.

An F18 costs U.S. $35 million, compared with $26 million for an F16, but its capacity for combat operations is much greater.

The recommendation to buy the F18s, which requires Government approval, was made late last month by a committee chaired by Air Force Chief-of-Staff ACM [Air Chief Marshal] Amon Naeomali and forwarded to Air Force Chief ACM M.R. Siriphong Thongyai, according to a high level committee source.

Apart from the F18s, the committee gave details of aircraft such as the F16, Mirage 2000 of France and the Su 35 and MiG 29 of Russia to the Air Force chief for consideration, along with its recommendation to buy F18s.

A final decision would be reached this month, the source said.

The committee proposed the Air Force acquire the F18s to meet possible external threats, noting the dispute involving several claimants to the Spratly Islands.

The Air Force has a squadron of eighteen F16s and another batch is due in three stages, the first six in October, another six in November and the balance early next year.

Eventually, it plans to have five fighter squadrons.

The committee chose F18s because the fighters were capable of combat over the sea for lengthy periods, the source said.

Although an F16's smaller size gives it greater mobility than an F18, it has one engine while the F18 has two.

The F18 can carry more weapons and provide more safety than the F16.

It can be used from aircraft carriers, requires less maintenance than an F16, and can operate for about two hours before refuelling. F18s are used by the U.S. Navy.

Meanwhile, Defence Minister Chawalit Yongchaiyut has promised to push for the Navy to proceed with its plan to buy two medium-size submarines, according to Navy Deputy Chief-of-Staff Vice-Admiral Winai Intharasombat.

The Navy failed to get approval from the previous government to buy the submarines. Payments were to have started in the 1996 budget.

But Gen Chawalit said the Navy could renew its proposal next year to enable payments to start from the 1997 budget, according to Vice-Admiral Winai, chairman of the Navy committee for the procurement of submarines.

Under the original purchase plan, the Navy wanted to buy two submarines for a total of 17 billion baht with payments made by instalment from annual budgets for seven consecutive years.

Vice-Admiral Winai, who is likely to be promoted to Chief-of-Staff this year, said Gen Chawalit understood the Navy's for better equipment to meet its wider responsibilities. [sentence as published]

The Cabinet last week approved the Army's proposal to buy 101 M60-A30 tanks from the United States. Payment for the tanks, costing 1.8 billion baht, will be over four years.

Questions Raised in View of Rapid Export Growth

BK1809061195 Bangkok BUSINESS DAY in English 18 Sep 95 p 4

[Editorial: "Bright Export Forecasts Raise Key Policy Issues"]

[FBIS Transcribed Text] Thailand's fast-growing export sector will continue to spearhead the country's economic growth and development right through the turn of the century, according to forecasts recently announced by Deputy Prime Minister Amnuai Wirawan. Dr Amnuai expects the value of exports to reach $52 billion this year, an impressive 20 percent increase over last year, and predicts that by the year 2000, Thailand's total exports will reach $104 billion, assuming an average annual growth of 15.5 percent.

The fastest growing markets for Thailand's exports will be electronics, computer accessories and video equipment. Agricultural exports are also predicted to increase, with rice and sugar leading the way. Dr Amnuai even foresees a bright future for exporting labor intensive products such as footwear and garments.

Although forecasting long-term export trends is a tricky business because of unpredictable variables such as foreign exchange rates, competitiveness and international politics, the 15.5 percent per year average figure seems reasonable, for it is conservative compared with Thailand's recent export performance.

As exports continue to soar upward, there are key policy issues to address.

The opportunity for export expansion should go hand-in-hand with Thailand's on-going policy of creating economic opportunities in the provinces. The Board of Investment has been on the right path in this regard, and its recent decision to offer greater tax incentives for industries to be located in Zone 3 — the least developed areas of the country — is to be commended.

If industries are to be located away from the Bangkok metropolitan area, then major improvements in infrastructure are needed even before companies set up manufacturing or assembly facilities. Transportation of finished products must be made efficient, reliable and affordable, therefore the country's much neglected railroad system must be modernized, and this should be done only for the eastern corridor but also towards the Northeast.

The shortage of qualified personnel in technical and managerial areas must be addressed. It is already acute in certain areas, and doubling exports over just the next four years is predicated on the availability of qualified personnel. The Eighth Economic and Social Development Plan correctly puts emphasis on human resources development, but won't bear fruit in time to meet the needs of the next few years.

Last but not least, environmental concerns must not be ignored. The lessons of the past must be applied in developing new legislation. Unless the environmental issue is squarely addressed through the effective enforcement of laws and regulations, the export-led growth may increase our standard of living, but it will surely decrease our quality of life.

Ministry Cuts Capital Requirement for New Banks

BK1809061095 Bangkok BUSINESS DAY in English 18 Sep 95 p 1

[FBIS Transcribed Text] The Finance Ministry has revised the criteria placed on companies seeking new bank licenses by cutting the registered capital to be paid upfront from 7.5 billion baht to 5 billion baht, according to a source at the ministry.

The source said the required capital of 7.5 billion baht was regarded as too high and detrimental to attracting investors.

The new banks though, will be required to increase the registered capital to 7.5 billion baht after they have been operational for a certain period of time and reached a financially stable status, the source added.

The source cautioned that the final amount of registered capital required may well be higher than 7.5 billion baht, depending on the committee responsible for screening bank license applicants and the policies of Finance Minister Dr Surakiat Sathianthai.

"Although Dr Surakiat and Prime Minister Banhan Sinlapa-acha previously intimated that there would be no changes in the criteria, this did not mean there would be no level of flexibility," the source said.

Reducing the level of registered capital required was meant to be an incentive to prospective investors interested in setting up as a commercial bank, the source said.

The Finance Ministry source also hinted that conditions pertaining to cross holding requirements may be the same for new banks as those currently imposed on existing banks.

The Bank of Thailand (BoT) is expected soon to increase the permitted ownership stakes for commercial banks in other finance companies to 30 percent from 10 percent.

This was intended to put new banks and existing banks under the same conditions in regard to competition, and would also enable new banks to operate complete banking functions, the source said.

The source said other conditions such as requiring the new banks to set up their headquarters outside Bangkok and share flotation will not be changed. Changes to these conditions could lead to criticism and charges of corruption, the source added.

The source also pointed out that demand from finance companies wishing to upgrade their status had been dropped after the Finance Ministry Confirmed that such companies would be allowed to widen the scope of their operations, including having access to the foreign currency exchange and Bangkok International Banking Facilities business.

Thirachai Phuwanatnuban, BoT Financial Institutions Supervision and Development director, said some banks were now permitted to own more than 30 percent of finance companies.

"The central bank allowed some banks to hold more than 10 percent in finance companies because the banks intended to rehabilitate such companies," Mr Thirachai said.

"However these banks will be required to reduce their holding to not more than 30 percent and each bank can hold a stake in not more than two companies," he added.

He said a bank wishing to hold shares in more than two finance companies could still put forward a proposal detailing why it required to do so.

Vietnam

Commentary on Growth in Relations With Cambodia

BK1809084095 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 16 Sep 95

[Station commentary]

[FBIS Translated Text] The first session of the Vietnam-Cambodia Joint Commission for Economic, Cultural, Scientific, and Technological Cooperation was held in Hanoi from 8 to 10 September. During the session, the two delegations reviewed the implementation of high-level promises and agreements signed in recent years and exchanged views on orientations and measures to strengthen and further expand the fine, friendly, and neighborly relations and the mutually beneficial cooperation in the fields of economy, trade, agro-forestry-fishery, transport and communications, finance, post and telegraph, education and training, culture and information, and tourism.

The two sides agreed to expand contacts at different levels and sectors on both sides to boost cooperation and solve the remaining issues along with any new issues in a spirit of mutual understanding. On this occasion, the two countries signed a tourism cooperation agreement and a protocol on education cooperation for the 1996-2000 period. The two sides agreed to prepare actively for the signing of an agreement on air transport and consular affairs and for discussions on an inland transportation agreement. The first session of the joint commission was held in a friendly and mutually understanding atmosphere.

During his working visit to Hanoi, Mr. Ing Huot, Cambodian minister of foreign affairs and international cooperation and chairman of the Cambodian subcommission, had various meetings with our state leaders. Prime Minister Vo Van Kiet highly valued the outcome of the session and held that the time-tested traditional and friendly relations and neighborly cooperation between Vietnam and Cambodia are developing rapidly. The fine results of this session are an important contribution to elevating relations between the two countries to a higher level of development. This responds to the interests and aspirations of the two peoples for peace, cooperation, and development in Southeast Asia.

This is also follows a series of active efforts in recent months to boost relations between the two countries through the exchange of visits by many delegations from both sides at different levels.

The two-day visit to Cambodia by Vietnamese President Le Duc Anh on 8 and 9 August is considered a landmark in the new development of friendly relations and traditional cooperation between Vietnam and Cambodia. President Le Duc Anh and King Norodom Sihanouk confirmed their determination to consolidate and strengthen the traditional friendship and neighborly cooperation between the two countries. They expressed their wish to maintain high-level political contact and widen cooperation in many fields. The two sides agreed to consolidate their common efforts to solve the remaining issues and any new issues affecting relations between the two countries in accordance with the agreements between the two governments.

Not long after that, a delegation from the Cambodian parliament's Foreign Affairs, International Cooperation, and Information Committee led by Committee Chairman Om Rasadi paid a friendly visit. His Excellency Om Rasadi and the other delegates expressed delight at visiting Vietnam as the country was preparing for its important national day celebration and at witnessing the Vietnamese people's great achievements in their renovation undertaking. The two sides confirmed that Vietnam's becoming an official member of ASEAN and Cambodia an observer have important significance and are an opportunity for the two parliaments' foreign affairs committees to consolidate the exchange and coordination of activities, thus contributing to the undertaking to preserve regional peace, stability, cooperation, and development.

In addition to these practical activities, an event of special importance occurred recently. In a speech about Vietnam-Cambodia relations delivered on national television, King Norodom Sihanouk expressed gratitude to Vietnam for saving him and his people from the atrocities of the Khmer Rouge. King Sihanouk said: Had Vietnam not chased away the Khmer Rouge, all Cambodians could have been killed — not just me but all the people; the Khmer Rouge could have killed us all. We were lucky to survive, and we can say that the Cambodian People's Party was not wrong when it requested Vietnam's assistance to fight the Khmer Rouge. Cambodia's BUSINESS NEWS on 8 September commented: King Sihanouk's statement sweeps away a major psychological obstacle to relations between the two countries and is an important contribution to Cambodia-Vietnam relations.

Commentary on Ties, Cooperation With Singapore

BK1809130895 Hanoi Voice of Vietnam in English 1000 GMT 18 Sep 95

[Station Commentary]

[FBIS Transcribed Text] Vietnam and Singapore are accelerating their bilateral relations with the delegation of the Vietnam National Assembly headed by Chairman Nong Duc Manh arriving in Singapore for an official visit and to attend the 16th General Assembly of the ASEAN Interparliamentary Organization or AIPO. Here is our report on the event:

Chairman Nong Duc Manh's official visit to Singapore is to promote bilateral relations and to strengthen diversified relations between the Vietnam National Assembly and other ASEAN parliaments. Singapore was among the first countries present in the Vietnamese market. In late 1989, with the Singaporean Government lifting the trade embargo on Vietnam, many Singaporean businessmen have come to Vietnam to study trade and investment possibilities. On October 16, 1990, the (Hewmei) Trading Company was the first ASEAN company granted a license for investment in Vietnam.

Singapore now ranks fourth among the 53 countries, which have invested in Vietnam. It has 96 projects in the country. Singapore has projects operating in 22 provinces and cities. Two-way trade turnover between the two countries reached $1.4 billion in 1993 as compared with only $110 million in 1980. It makes Singapore Vietnam's second biggest partner after Japan.

Vietnam and Singapore have signed many agreements on economic development, commerce, and investment protection to avoid double taxation. Many senior officials of the two countries have exchanged visits to accelerate bilateral relations in all aspects and the visit to Singapore of Chairman Nong Duc Manh is to attend the 16th General Assembly of the ASEAN Interparliamentary Organization, otherwise known as AIPO. AIPO lies in the framework of cooperation of ASEAN. Therefore, after Vietnam's submission to ASEAN, Vietnam will become a member of AIPO if Vietnam accepts AIPO regulations approved by its members. Mr. Tan Soo Khoon, chairman of AIPO visited Vietnam early this month and conveyed AIPO invitation for the Vietnam National Assembly to join it and to attend the 16th

AIPO General Assembly in Singapore where Vietnam will be granted full membership.

By joining ASEAN and its organizations like AIPO and the ASEAN Commerce and Industry, Vietnam has favorable opportunities to integrate into the regional community and strengthen its relations with regional parliaments and peoples to build Southeast Asia into a zone of peace, independence, and prosperity.

'High-Ranking EC' Delegation Arrives for Visit

BK1909153895 Hanoi VNA in English
1449 GMT 19 Sep 95

[FBIS Transcribed Text] Hanoi VNA Sept. 19—Vice President of the European Commission (EC) Manuel Marin and his party arrived here this afternoon, beginning a three-day friendship visit to Vietnam.

This is the first visit by high-ranking EC officials to Vietnam since the two sides established diplomatic relations in April 1990.

The EC vice president and his party were greeted at the government guest house by Deputy Prime Minister Phan Van Khai, Deputy Foreign Minister Nguyen Duy Nien, and other senior Vietnamese officials.

Deputy Prime Minister Khai and EC Vice Presidnt Manuel said in their first meeting that the visit aims to promote Vietnam's cooperative ties with the EC as well as to accelerate the implementation of the cooperatiion agreement Vietnam and EU signed recently.

This evening, Deputy Prime Minister Khai gave a banquet in honour of Vice President Manuel and other officials of the EC.

Article Details Oil, Gas Development Plan

BK1609103995 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 26 Aug 95 p 2

[Article by PetroVietnam Director Ho Si Thoang: "Vietnam Oil and Gas, the Key Economic Sector"]

[FBIS Translated Text] The government did not issue a decision to establish the Oil and Gas General Department (now PetroVietnam) until 3 September 1975. The party and state, however, have paid special attention to this very important economic sector for a long time. When Uncle Ho visited the former Soviet Union in 1955, he made an observation tour of the oil and gas exploitation zone in the Caspian Sea. In the ensuing years, our party and state sent cadres and students to the former Soviet Union and other countries to study oil and gas industries in anticipation of a strategy for oil and gas industrial development in Vietnam. During the late 50's and early 60's, Vietnamese geologists and foreign specialists began oil and gas exploration work in the Red River Delta (Northern Vietnam). The 36 Geologist Group of the Geological General Department was then established. Afterward, it was renamed the Union of 36 Geologist Groups—the precursor of PetroVietnam.

The following are the initial, yet encouraging, achievements:

From the 60's to the end of the 70's, with assistance from the former Soviet Union, various areas in Northern Vietnam covering thousands of square kilometers of earth and dozens of wells—some as deep as 4,000 meters—had been dug for oil and gas exploration in the Red River Delta, which is where the Tien Hai natural gas field was found. Thanks to these efforts, hundreds of millions of cubic meters of natural gas have been exploited from this gas field for use in various turbine generators and industrial factories in Vietnam.

Although the Tien Hai natural gas field was not large, it was the initial achievement and the pride of Vietnamese oil and gas workers.

After the unification of the country and since 1978, the activities of the Vietnam oil and gas sector have been expanded throughout the country, especially in Southern Vietnam. Hundreds of square kilometers of earth in the heartland and two oil wells in the Mekong River Delta were dug by the Vietnam oil and gas sector using its own capabilities. During the same period, the sector began cooperating with companies and corporations from capitalist countries through product-sharing contracts to explore and exploit oil and gas at a number of lots in Southern Vietnam's continental shelf. Through this cooperation, oil and gas were found at lot Nos. 04, 05, and 12, thereby creating the prerequisite for international cooperation in the exploration and exploitation of oil and gas in Vietnam.

In 1981, there was a turning point in Vietnam-Soviet cooperation in the oil and gas domain. Under the agreement between the two governments, the joint enterprise Vietsovpetro (VSP) was established, and it began operation shortly afterward. The VSP conducted exploration over tens of thousands of square kilometers of earth and dug dozens of wells and found oil and gas deposits in various areas, including the Bach Ho oil field, which was initially exploited in 1986. During the past 10 years, the Bach Ho oil field has consistently increased its output. It produced 40,000 tonnes of crude oil in 1986; 280,000 tonnes in 1987; 680,000 tonnes in 1988; 1.520,000 tonnes in 1989; 2.700,000 tonnes in 1990; 3.956,000 tonnes in 1991; 5,501,000 tonnes in 1992; 6,312,000 in 1993; 6,916,000 tonnes in 1994; and 3.286,000 tonnes in the first six months of 1995. Moreover, the VSP's Rong oil field has also been exploited since 1994, thus helping to increase the nation's oil production output.

More than 30 million tonnes of crude oil have been exploited in Vietnam to date. Although the VSP's cooperation structure needs revision, its crude oil production output has greatly contributed to stabilizing the national economy in the most difficult period. Moreover, VSP is also a center for training Vietnamese oil and gas workers, thereby helping to enhance the capabilities of the Vietnam oil and gas sector.

The New Stage of the Vietnamese Oil and Gas Sector: [subhead]

Since the promulgation of the Foreign Investment Law (1987), oil and gas activities in our country have shifted to a new stage. During the 1988-1994 period, PetroVietnam has signed 29 product- sharing contracts with various foreign companies, with a total investment capital of more than $1.5 billion. Most importantly, many companies have found oil in their concession lots, thus affirming that Vietnam's oil and gas potential is enormous and the country's oil and gas industry is brilliant.

Among the product-sharing contracts, the contract for the Dai Hung oil field has been exploited very rapidly. On 14 October 1994, about 18 months after the contract was signed, oil was produced by this oil field. In 1994, Dai Hung exploited 157,473 tonnes of crude oil. As a result, three oil fields in Vietnam are now producing oil for the country. It is certain that many more oil fields in Vietnam will be listed as being under exploitation in the near future.

In an attempt to comprehensively develop Vietnam's oil and gas industry, PetroVietnam has been and is carrying out a series of projects. They include: a project to supply natural gas from the Bach Ho oil field to electric power station generators through a rapid shore to mainland system that was completed in April 1995; a project to transport and utilize gas from the southern area of the Con Son Sea; a project on general utilization of natural gas in Vietnam; and a project on building an oil refinery factory. These projects require a large volume of investment capital, high- technology capabilities, and capable management skills.

Through international cooperation in oil and gas, PetroVietnam has gradually acquired experience in modern technologies. It has mastered many production, operation and administrative systems and methods that require a high level of technology and management. Moreover, huge investments by foreign companies have created many services for the oil and gas industry in different localities. This has also contributed to the general development of our national economy.

In development, the oil and gas sector has always received close leadership from the party and state. In 1988, the Political Bureau of the party Central Committee issued Resolution 15/NQ-TW on development orientations for the oil and gas sector. This sector has also been organized to meet the general development requirements in different stages. Based on the potential of this sector, the demand for oil and gas in Vietnam, and the correct direction outlined in the Resolution 15/NQ-TW, PetroVietnam has established a strategy for this sector's development until 2010. This is to meet the following demands: that the oil and gas development strategy could be used as foundation for the planning of other economic activities; that the Vietnamese oil and gas industry be built up comprehensively and uniformly; and the principle of independence, sovereignty, multidirection, and diversification in international cooperation must be observed.

The duties of the oil and gas sector until year 2010:

To implement the strategy for the development of the oil and gas sector until 2010, PetroVietnam needs to implement these tasks:

— Accelerating exploration in the entire country and the continental shelf (including the Red River and Mekong River deltas), evaluating our national oil and gas potential, and on that basis, continue to attract foreign investment in oil and gas exploration and exploitation.

— Quickly put discovered oil wells into production to increase output in 2010 to 30-40 million tonnes (including 6-7 million cubic meters of gas) and, at the same time, outlining a strategy for oil exploitation annually to meet local consumption and export.

— Completing the first oil refinery by the year 2000 and the second one in 2002 with the production capacity of 6-6.5 million tonnes each year. Quickly complete the planning for an oil refinery industry to meet local consumption, export, and requirements of the petrochemical industry.

— Building different types of plants to process petroleum products. The first type is to process semi-finished products from oil refineries. This include plants producing engine oil, asphalt, and other petrochemical products with high economic value. Attention should be paid to building small plants, which bring in high profits. The second type is to produce petrochemicals. This requires huge investments and may have to depend mainly on foreign sources.

— Establishing a master plan on the use of natural gas, including transportation, liquefaction, processing, and supply to power stations, nitrogenous fertilizer factories, industrial zones, and households. It is possible to divide the planning for natural gas into three divisions, namely the north, central, and south. The southern division including Ba Ria-Vung Tau province and Ho Chi Minh City enjoy favorable conditions for development.

— Accelerating the building of service centers for the oil and gas industry and consolidating current service organizations to meet any demands on exploration and exploitation, processing and transportation, and distribution of oil and gas to increase revenue for Vietnam.

— Strengthening and developing organizations and centers to conduct scientific and technological studies and analysis on oil and gas so that new technological demands can gradually be met.

— Studying and applying modern methods to protect the environment from oil and gas activities offshore and inland.

— Promptly train a contingent of scientific, technical, and management cadres to meet the increasing demands of building a complete oil and gas sector in Vietnam. From now until 2000, 2005, and 2010, it is necessary to produce at least three generations of specialists to ensure that new oil and gas technologies will be understood, introduced, and applied in Vietnam.

— Building the Vietnamese oil and gas sector into a great corporation (including exploration, exploitation, conservation, distribution, processing, and import and export).

A development period of 20 years is not long for the oil and gas industry, judging from the many countries or companies whose activities cover all continents. The Vietnamese oil and gas sector has overcome numerous challenges to proudly become our leading economic sector after 20 years of development.

Australia

Evans Urges Release of Detainees in Somalia

BK1909072795 Hong Kong AFP in English 0702 GMT 19 Sep 95

[FBIS Transcribed Text] Sydney, Sept 19 (AFP) — Foreign Minister Gareth Evans said Tuesday he had appealed to Somali warlord Farah Aidid to release three Australians and others detained when his forces captured Baidoa.

Reports in Mogadishu said that 17 expatriate aid workers are being held by Aidid forces who occupied the inland town on Sunday.

The three Australians are Ben Wilson, a Nairobi-based correspondent for the Australian Broadcasting Corporation (ABC), and two aid workers.

Evans told the Senate in Canberra that he had drafted messages both to Aidid and his rival Ali Mahdi and they were being sent through communications channels.

The basic message was to urge the factions to ensure safe release of those detained "as soon as humanly possible" and to refrain from any further action which might compromise their safety, he said.

"There's a degree of nervousness among everybody here" about what might happen, Ben Wilson told the ABC by satellite telephone.

Wilson said the aid workers were being held in two separate compounds, and the groups had not been able to contact each other.

"We are not allowed to move," Wilson said, adding that the detainees were unsure whether the expatriate staff were being used by Aidid "to achieve bargaining power."

Keating: Ties With Indonesia 'Still Strong'

BK1809125195 Melbourne Radio Australia in English 0630 GMT 18 Sep 95

[From the "International Report" program]

[FBIS Transcribed Text] In the further easing of tensions between Canberra and Jakarta, the Australian Prime Minister Paul Keating has ended weekend talks with President Suharto confident that bilateral ties are still strong. Their get-together in the resort island of Bali ended without the problems surrounding the appointment of an Indonesian ambassador to Australia being resolved.

The previous nominee as Indonesian ambassador, General Herman Mantiri, withdrew after he was criticized in Australia for his reported hardline attitude to the East Timorese independence movement. Radio Australia's Michael Maher reports from Bali:

[Begin recording] [Maher] Perched high up on a cliff with the view out to sea, President Suharto's Bali villa faces south toward Australia. But while the president has only once crossed the Indian Ocean to visit his Australian neighbors, this is the fifth time that Paul Keating has made the trip to Indonesia since becoming prime minister. Much is made by officials in both Jakarta and Canberra of the good personal relationship Suharto and Keating have developed over the past few years, and at their Sunday meeting in Bali both men certainly looked relaxed and at ease with each other.

But that is more than can be said of the overall relationship between the two countries. In July, Jakarta withdrew the nomination of a senior general it planned to make its ambassador in Canberra after a storm erupted in Australia over remarks the general made about East Timor. It was a situation further exacerbated a short time later by a series of Indonesian flag burnings in Australia.

But despite these problems, Mr. Keating emerged from nearly two hours of talks with President Suharto confident that the Indonesia-Australia relationship is in a good enough shape to withstand such challenges.

[Keating] The thing that I think pleased me most about it was —and I think him—was the fact that we think now—both of us—that the relationship has got so much depth to it that we have got a sort of web of structures there, a web of relationships that if any one part of it is under stress or is torn we go and repair it, and all the other pieces keep the strength of the relationship together.

I think that is the thing we have been trying to do these years, certainly since I became prime minister. It is not to put together just the relationship, such as head of government to head of government or a foreign policy relationship, but one that has depth and understanding and weight to it, and that is enduring. I think he believes, the president, that that sort of quality is entering the Australian-Indonesian (?relations) and has entered the Australian side of the relationship. And I similarly think that from Australian side of Indonesia.

[Maher] The prime minister's upbeat assessment aside, the fact remains that Jakarta still does not have an ambassador in Canberra; nor did President Suharto indicate over the weekend when that post would be filled. However, officials from both countries are saying that it is a matter which is presently being resolved. As for the human rights issue—so often at the heart of tensions between Jakarta and Canberra—Mr. Keating said he spoke to President Suharto about the trouble spots of Irian Jaya and East Timor.

[Keating] I think that in all of its achievements of the development of the economy and society, and the pluralism of it, the cultural diversity of it, has already been diminished by reflections on Timor, and I think the president understands that.

[Maher] According to Mr. Keating, while the friendly talks were dominated by bilateral issues, the two leaders also discussed the Asia-Pacific Economic Cooperation Forum—the APEC. The prime minister said he and the president both agreed on the need to continue promoting APEC as the single most important agent for free trade in the Asia-Pacific region. [end recording]

Denies Relations Failing

LD1809122995 Melbourne Radio Australia in English 1100 GMT 18 Sep 95

[FBIS Transcribed Excerpt] Prime Minister Paul Keating says it is nonsense to claim Australia's relationship with Indonesia is falling to pieces because of the absence of an Indonesian ambassador in Canberra. Mr. Keating said he and Indonesia's President Suharto directed the relationship at head of government level. The prime minister was responding to a question in parliament following talks in Bali yesterday with President Suharto. Mr. Keating said they had discussed Indonesia's top diplomatic job in Canberra, which has been vacant since July. [passage omitted]

Mr. Keating said President Suharto had said he wanted an ambassador who would broadly advance relations with Australia. The president said he would think about the options for the ambassadorship. Mr. Keating said the most important relationship Australia has is with Indonesia.

Evans on Bid for Nonpermanent UN Security Seat

BK1909091995 Melbourne Radio Australia in English 0630 GMT 19 Sep 95

[From the "International Report" program"]

[FBIS Transcribed Text] After 10 years on the outer, Australia is close to getting membership of one of the world's exclusive clubs. The Australian Government is confident that it will succeed in a bid to become a nonpermanent member of the United Nations Security Council. The Council is the UN's most power decision-making body. Australia has not held a seat on it for 10 years. As Linda Curtis reports, while the government is optimistic there is still a year to go before a decision is made.

[Begin recording] [Curtis] Australia has held a nonpermanent seat on the UN Security Council four times since the UN's inception — 1946-47, 10 years later in 1956, again in the early seventies, and the last time from 1985-86. While it is more difficult now than before to be chosen because of the increase in the number of UN members, Foreign Affairs Minister Gareth Evans believes it would be important for Australia to take up a Security Council seat.

[Evans] I think it is pretty important to be able to get on it every 12 or 13 years, which has been our experience since the UN was founded. It is getting much harder with 185 countries now, but it is an opportunity to really make a difference in terms of some pretty crucial decisionmaking, particularly now in the post Cold War world where so much more is expected of the Security Council. And it is also, I think, a mark of the standing and the respect in which you are held quite apart from what you can actually do while you are there. The mere fact of getting there is something that is, I think, important to be able to do, to demonstrate every now and again.

[Curtis] If Australia is successful in getting a seat in the Security Council, what sort of things do you think Australia can have an input into?

[Evans] Well, I would have hoped that some rational decisionmaking on the peace and security agenda, in particular in terms of working out in which situations it is appropriate to try and intervene in and what level of intervention might be involved. We have seen over and over again the Security Council in recent years plunging into situations because of the political urge to be seen to be doing something, but really making some awful mistakes along the way with Bosnia, I suppose, being the best example setting in train a peacekeeping operation without there being a peace to keep, setting in train a peace enforcement operation with the safe havens and so forth but without putting the resources on the ground to make that enforcement actually possible. And the sort of things we have been talking about, writing about in a whole variety of forums and publications over recent years. We will cite that opportunity to put some of that into practice.

[Curtis] Australia announced its candidacy for the seat last year and since then officials have been busy lobbying. Sen. Evans is reasonably optimistic about Australia's chances.

[Evans] It is reasonably likely, but we have got a year's active campaigning ahead of us and it is certainly premature to be declaring any kind of victory. Our standing is high around the world, starting with our own Asia-Pacific region, but reaching out much more widely than that. But these seats are very hotly contested and we expect a long haul before we can wrap it up.

[Curtis] There is some concern Australia's tough stand on French nuclear testing in the South Pacific may harm the chances of success, but Sen. Evans says there is an up side to our stance on nuclear testing.

[Evans] I think we have to expect that France won't be too thrilled about our nomination exercise and will be doing its best to persuade some of the Francophone countries, many of course, particularly in Africa, to fight against us. But on the other hand, it does have an advantage. The very high profile campaign that we are waging in terms of winning support elsewhere because certainly there is very widespread support around the world for what we are doing.

[Curtis] Australia's lobbying efforts will continue at the upcoming UN General Assembly — the 50th anniversary assembly — and a vote on the two nonpermanent Security Council seats is expected in a year's time. [end recording]

Protestors Board French Antarctic Supply Ship

LD1609104395 Melbourne Radio Australia in English 0900 GMT 16 Sep 95

[FBIS Transcribed Text] In the southeast Australian city of Hobart police have arrested 12 anti-nuclear protestors who boarded a French Antarctic supply ship earlier today. They had boarded the ship to protest against the French Government seizure of two Greenpeace vessels almost a fortnight ago. The Rainbow Warrior and the MV Greenpeace were seized just off Mururoa Atoll in French Polynesia where they had been taking part in the campaign against French nuclear testing. Hugh McLean reports that the protestors who occupied the French ship in Hobart were calling on France to hand back the two Greenpeace vessels.

[Begin McLean recording] Fourteen protestors from the environmental group Eco Police climbed on board the 17 m [length as heard] French ship, L'Astrolabe, late this morning. For several hours police stood by but after an official complaint from the ship's agents five police officers boarded the vessel. Two protestors chose to leave, the remaining 12 were led down the gangplank to waiting police vans. They were later charged with trespass and granted bail on the condition they don't return to the ship. [end recording]

'Second Violent Uprising Brewing' in Papeete

LD1509100195 Melbourne Radio Australia in English 0900 GMT 15 Sep 95

[FBIS Transcribed Text] An Australian parliamentarian, Peter Knott, claims the French authorities will seek revenge for last week's riots in the French Polynesian capital of Papeete. Mr. Knott returned home from Tahiti today. The MP, from [word indistinct] New South Wales, was thrown into the international spotlight last week when he was detained by French authorities during antinuclear protests in Papeete. He says a second violent uprising is brewing, with groups organizing arsenals of Molotov cocktails, rocks, and guns:

[Begin Knott recording] I advised everyone who (?wants) to get the hell out of there. I am not sure of what the situation is. I'm still pretty hazy about the status of the airport. I believe it is opened again; and I believe there are international flights getting [words indistinct] get the hell out of there as quickly as they could, by whatever means they could, whatever means they thought were the quickest. [end recording]

Concern Expressed Over Use of Nomad Aircraft

LD1809112195 Melbourne Radio Australia in English 0900 GMT 18 Sep 95

[FBIS Transcribed Text] Concern has been expressed at a Senate inquiry about the continued civilian use of the Australian-designed and built Nomad aircraft, despite the grounding of the military's Nomad fleet. The inquiry is looking into the circumstances surrounding the 1990 crash of a Nomad plane in South Australia that killed an Air Force flight lieutenant. The Australian Defense Force recently grounded its fleet of 24 Nomads in the wake of safety and operational concerns. Federal Liberal MP Bill Taylor has told the Senate inquiry the safety of all Nomads in civilian use now has to be questioned.